Wasion Holdings Limited
威勝控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3393)

FURTHER ANNOUNCEMENT ON THE AUDITED ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the announcements of Wasion Holdings Limited (the "**Company**") dated 30 March 2020 (the "**Unaudited Annual Results Announcement"**) and 20 April 2020 in relation to the unaudited annual results for the year ended 31 December 2019. Unless otherwise required, capitalised terms used in this announcement shall have the same meanings as those defined in the Unaudited Annual Results Announcement.

AUDITED ANNUAL RESULTS

The Board hereby announces that Deloitte Touche Tohmatsu, the auditors of the Company, has completed its audit of the annual results of the Group for the year ended 31 December 2019 in accordance with the Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). The audited annual results for the year ended 31 December 2019 are set out below.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	**2019** ***RMB'000***	2018 *RMB'000*
Revenue	*3*	**3,655,646**	3,340,321
Cost of sales		**(2,508,013)**	(2,349,035)
Gross profit		**1,147,633**	991,286
Other income	*4*	**130,545**	122,895
Other gains and losses	*5*	**6,561**	(1,398)
Impairment losses on financial assets under expected credit loss model		**(25,118)**	(8,023)
Administrative expenses		**(179,596)**	(174,517)
Selling expenses		**(329,319)**	(292,863)
Research and development expenses		**(245,722)**	(217,660)
Finance costs		**(86,518)**	(59,594)
Share of results of a joint venture		**(4,000)**	—
Share of results of associates		**168**	(580)
Profit before taxation	*6*	**414,634**	359,546
Income tax expense	*7*	**(57,256)**	(28,775)
Profit for the year		**357,378**	330,771
Profit for the year attributable to			
— Owners of the Company		**280,567**	270,817
— Non-controlling interests		**76,811**	59,954
		357,378	330,771
Earnings per share	*9*		
Basic		**RMB28 cents**	RMB27 cents
Diluted		**RMB28 cents**	RMB27 cents

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 *RMB'000*	2018 *RMB'000*
Profit for the year	**357,378**	330,771
Other comprehensive income (expense)		
Item that will not be subsequently reclassified to profit or loss		
Fair value changes on equity instruments at fair value through other comprehensive income, net of related deferred taxation	**15,690**	(51,147)
Item that may be subsequently reclassified to profit or loss		
Exchange differences arising on translation of foreign operations	**(9,676)**	16,531
Other comprehensive income (expense) for the year	**6,014**	(34,616)
Total comprehensive income for the year	**363,392**	296,155
Total comprehensive income for the year attributable to		
— Owners of the Company	**286,581**	236,201
— Non-controlling interests	**76,811**	59,954
	363,392	296,155

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2019

	Notes	**2019**	2018
		RMB'000	*RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**1,288,959**	1,282,072
Prepaid lease payments		**—**	148,460
Right-of-use assets		**153,110**	—
Investment properties		**28,407**	28,160
Goodwill		**313,272**	297,919
Other intangible assets		**520,437**	472,948
Investment in associates		**—**	9,150
Investment in a joint venture		**—**	—
Equity instruments at fair value through other comprehensive income		**97,327**	125,889
Financial assets at fair value through profit or loss		**200,000**	200,000
Deferred tax assets		**21,230**	17,111
Other non-current assets		**135,870**	142,057
Loan receivable		**—**	105,000
		2,758,612	2,828,766
CURRENT ASSETS			
Inventories		**541,345**	495,522
Trade and other receivables and prepayments	*10A*	**4,058,559**	3,129,597
Contract assets	*10B*	**583,497**	437,638
Prepaid lease payments		**—**	3,541
Financial assets at fair value through profit or loss		**—**	30,888
Loan receivable		**105,000**	—
Pledged bank deposits		**271,673**	280,981
Bank balances and cash		**1,778,088**	1,401,362
		7,338,162	5,779,529
CURRENT LIABILITIES			
Trade and other payables	*11*	**3,001,897**	2,271,847
Contract liabilities		**100,562**	102,259
Tax liabilities		**50,583**	55,026
Borrowings — due within one year		**1,618,639**	1,069,864
Lease liabilities		**3,048**	—
		4,774,729	3,498,996
NET CURRENT ASSETS		**2,563,433**	2,280,533
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,322,045**	5,109,299

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AT 31 DECEMBER 2019

	2019 *RMB'000*	2018 *RMB'000*
CAPITAL AND RESERVES		
Share capital	**9,947**	9,969
Reserves	**4,206,370**	4,176,691
Equity attributable to owners of the Company	**4,216,317**	4,186,660
Non-controlling interests	**630,083**	555,624
	4,846,400	4,742,284
NON-CURRENT LIABILITIES		
Borrowings — due after one year	**455,230**	348,303
Deferred tax liabilities	**18,615**	18,712
Lease liabilities	**1,800**	—
	475,645	367,015
	5,322,045	5,109,299

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1. BASIS OF PREPARATION

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The directors consider the immediate and ultimate holding company to be Star Treasure Investments Holdings Limited, a limited liability company incorporated in the British Virgin Islands.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time in the current year:

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle

The new and amendments to HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amounts reported and/or on the disclosures as described below.

2.1 HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 *Leases* ("HKAS 17"), and the related interpretations.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standards to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

As at 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

i. relied on the assessment of whether leases are onerous by applying HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as an alternative of impairment review;

ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;

iii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application; and

iv. applied a single discount rate to a portfolio of leases with similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rates for certain leases of office buildings in Hong Kong were determined on a portfolio basis.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average lessee's incremental borrowing rate applied is 4.43%.

	RMB'000
Operating lease commitments disclosed as at 31 December 2018	3,361
Lease liabilities discounted at relevant incremental borrowing rates and as at 1 January 2019	3,252
Analysed as	
Current portion	3,011
Non-current portion	241
	3,252

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

	Right-of-use assets *RMB'000*
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	3,252
Reclassified from prepaid lease payments *(Note)*	152,001
	155,253
By class:	
Leasehold land	152,001
Land and buildings	3,252
	155,253

Note: Upfront payments for leasehold land in the PRC were classified as prepaid lease payments as at 31 December 2018. Upon application of HKFRS 16, the current and non-current portion of prepaid lease payments amounting to HK$3,541,000 and HK$148,460,000 respectively were reclassified to right-of-use assets.

As a lessor

In accordance with the transitional provisions in HKFRS 16, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

(a) Upon application of HKFRS 16, new lease contracts entered into but commence after the date of initial application relating to the same underlying assets under existing lease contracts are accounted as if the existing leases are modified as at 1 January 2019. The application has had no impact on the Group's consolidated statement of financial position at 1 January 2019. However, effective on 1 January 2019, lease payments relating to the revised lease term after modification are recognised as income on straight-line basis over the extended lease term.

(b) Before application of HKFRS 16, refundable rental deposits received were considered as rights and obligations under leases to which HKAS 17 applied. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right-of-use assets and were adjusted to reflect the discounting effect at transition. However, the discounting effect has had no material impact on the consolidated financial statements of the Group at 1 January 2019.

(c) Effective on 1 January 2019, the Group has applied HKFRS 15 to allocate consideration in the contract to each lease and non-lease components. The change in allocation basis has had no material impact on the consolidated financial statements of the Group at 1 January 2019.

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

	Carrying amounts previously reported at 31 December 2018	**Adjustments**	**Carrying amounts under HKFRS 16 at 1 January 2019**
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets			
Prepaid lease payments	148,460	(148,460)	—
Right-of-use assets	—	155,253	155,253
Current asset			
Prepaid lease payments	3,541	(3,541)	—
Current liability			
Lease liabilities	—	(3,011)	(3,011)
Non-current liability			
Lease liabilities	—	(241)	(241)

3. REVENUE AND SEGMENT INFORMATION

Information reported to the Group's Chief Executive Officer, being the chief operating decision maker (the "CODM"), for the purposes of resources allocation and assessment of segment performance focuses on business lines of the Group based on different products sold. This is also the basis upon which the Group is managed and organised. No operating segments identified by the CODM have been aggregated in arriving the reportable segments of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

(a) Power advanced metering infrastructure segment, which engages in the development, manufacture and sale of smart power meters and provision of respective system solution;

(b) Communication and fluid advanced metering infrastructure segment, which engages in the development, manufacture and sale of communication terminals and water, gas and heat metering products and provision of respective system solution; and

(c) Advanced distribution operations segment, which engages in the manufacture and sale of smart power distribution devices and providing smart power distribution solution and energy efficiency solution.

Segment revenue and results

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

For the year ended 31 December 2019

	Power advanced metering infrastructure *RMB'000*	**Communication and fluid advanced metering infrastructure** *RMB'000*	**Advanced distribution operations** *RMB'000*	**Consolidated** *RMB'000*
Segment revenue	**1,713,888**	**1,167,550**	**774,208**	**3,655,646**
Segment profit	**168,991**	**205,970**	**100,662**	**475,623**
Unallocated income and gains/losses				**56,912**
Share of results of associates and a joint venture				**(3,832)**
Central administration costs				**(27,551)**
Finance costs				**(86,518)**
Profit before taxation				**414,634**

For the year ended 31 December 2018

	Power advanced metering infrastructure *RMB'000*	Communication and fluid advanced metering infrastructure *RMB'000*	Advanced distribution operations *RMB'000*	Consolidated *RMB'000*
Segment revenue	1,734,857	929,944	675,520	3,340,321
Segment profit	174,973	143,763	85,332	404,068
Unallocated income and gains/losses				47,705
Share of results of associates				(580)
Central administration costs				(32,053)
Finance costs				(59,594)
Profit before taxation				359,546

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit attributable to each segment without allocation of certain other income, other gains and losses, share of results of associates, share of results of a joint venture, central administration costs, directors' salaries, finance costs and taxation. This is the measure reported to the Group's CODM for the purposes of resource allocation and performance assessment.

Geographical information

The Group's operations are mainly located in the PRC.

The following table provides an analysis of the Group's revenue by geographical location of customers, irrespective of the origin of the goods, and information about its non-current assets by geographical location of the assets.

	Revenue from external customers		**Non-current assets** ***(Note)***	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
PRC	**3,445,035**	2,945,553	**2,294,907**	2,239,028
Asian countries, except for PRC	**148,162**	202,050	**—**	—
African countries	**47,065**	142,670	**1,779**	306
Other overseas countries	**15,384**	50,048	**7,499**	—
	3,655,646	3,340,321	**2,304,185**	2,239,334

Note: Non-current assets exclude financial instruments and deferred tax assets.

4. OTHER INCOME

	2019	2018
	RMB'000	*RMB'000*
Other income comprises:		
Bank interest income	**26,081**	23,950
Dividend income from financial assets at FVTPL	**—**	631
Dividend received from equity instruments at FVTOCI	**650**	1,159
Government grants	**31,451**	26,533
Interest income from consideration receivable for disposal of a subsidiary	**4,486**	4,486
Interest income from loan receivables	**11,919**	11,919
Interest income on financial assets at FVTPL	**18,304**	15,331
Refund of value-added tax ("VAT")	**29,794**	34,712
Rental income from investment properties	**2,405**	2,561
Others	**5,455**	1,613
	130,545	122,895

5. OTHER GAINS AND LOSSES

	2019	2018
	RMB'000	*RMB'000*
Other gains (losses) comprises:		
Net foreign exchange gain (loss)	**5,762**	(3,715)
Net (loss) gain on disposal of property, plant and equipment	**(40)**	211
Fair value gain on financial assets at FVTPL	**839**	2,106
	6,561	(1,398)

6. PROFIT BEFORE TAXATION

	2019	2018
	RMB'000	*RMB'000*
Profit before taxation has been arrived at after charging:		
Staff costs (including directors' emoluments):		
Salaries and benefits	**320,615**	323,396
Retirement benefit scheme contributions	**14,767**	13,713
Share-based payment expenses	**—**	3,107
	335,382	340,216
Capitalised in development costs at the end of the reporting period	**104,884**	79,666
Capitalised in inventories at the end of the reporting period	**27,716**	30,981
	467,982	450,863
Auditor's remuneration	**3,469**	3,425
Depreciation of property, plant and equipment	**60,403**	59,428
Depreciation of investment properties	**968**	483
Release of prepaid lease payments	**—**	2,832
Amortisation of intangible assets (included in selling expenses, administrative expenses and research and development expenses)	**124,890**	92,176
Depreciation of right-of-use assets	**12,516**	—
Total depreciation and amortisation	**198,777**	154,919
Capitalised in inventories at the end of the reporting period	**4,353**	5,648
	203,130	160,567
Cost of inventories recognised as expense	**2,508,013**	2,349,035

7. INCOME TAX EXPENSE

	2019	2018
	RMB'000	*RMB'000*
The charge comprises:		
PRC Enterprise Income Tax ("EIT")		
— Current year	**75,238**	58,572
— Overprovision in prior years	**(10,362)**	(26,667)
	64,876	31,905
Deferred taxation		
— Current year	**(7,620)**	(3,130)
	57,256	28,775

Notes:

(i) Hong Kong

No provision for Hong Kong Profits Tax has been made as the Group did not earn any income that was subject to Hong Kong Profits Tax during both years.

(ii) PRC

PRC EIT was calculated based on the statutory rate of 25% of the assessable profit for those subsidiaries established in the PRC, as determined in accordance with the relevant income tax rules and regulations in the PRC, except that certain PRC subsidiaries which are approved as enterprises that satisfied the condition as high technology development enterprises and obtained the Certificate of High New Technology Enterprise continue to enjoy the preferential tax rate of 15% for a consecutive three years from year 2016 to 2018, year 2017 to 2019 or year 2018 to 2020, respectively.

According to relevant laws and regulations promulgated by the State Administration of Tax of the PRC, certain of the subsidiaries established in the PRC are entitled to claim additional 50% to 75% of their qualified research and development expenses so incurred as tax deductible expenses when determining their assessable profits for the year. The qualified PRC subsidiaries can enjoy the additional deduction of 75% of qualified research and development expenses for a consecutive three years from year 2018 to 2020.

(iii) Other jurisdictions

Taxation arising in other jurisdictions was calculated at the rates prevailing in the respective jurisdictions. Under the Decree Law No. 58/99/M, Chapter 2, Article 12, dated 18 October 1999, a Macao company incorporated under that Law ("58/99/M Company") is exempted from Macao Complementary Tax as long as the 58/99/M Company does not sell its products to a Macao resident company.

8. DIVIDENDS

	2019	2018
	RMB'000	*RMB'000*
Dividends recognised as distribution during the year:		
2019 interim dividend — HK$0.06, equivalent to RMB0.053 per share (2018: Nil)	**53,158**	—
2018 final dividend — HK$0.20, equivalent to RMB0.171, per share	**168,536**	202,548
	221,694	202,548

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2019 of HK$0.20, equivalent to RMB0.183, per share (2018: final dividend in respect of the year ended 31 December 2018 of HK$0.20, equivalent to RMB0.171, per share), in an aggregate amount of HK$199,176,000, equivalent to RMB181,846,000 (2018: HK$199,992,000, equivalent to RMB170,993,000), has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

9. EARNINGS PER SHARE

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

	2019	2018
	RMB'000	*RMB'000*
Earnings		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	**280,567**	270,817

	2019	2018
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**988,842,364**	996,781,538
Effect of dilutive potential ordinary shares in respect of share options	**—**	5,569
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**988,842,364**	996,787,107

The weighted average number of ordinary shares shown above has been arrived at after deducting the shares held by the trustee of the share award scheme of the Company and the shares repurchased by the Company but yet to be cancelled.

The computation of diluted earnings per share for the year ended 31 December 2018 and 2019 does not assume the exercise of the Company's outstanding share options as the relevant exercise price of those options were higher than the average market price for the year.

10A. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	2019	2018
	RMB'000	*RMB'000*
Trade receivables from contract with customers, gross	**3,306,182**	2,762,303
Less: Allowance for expected credit loss	**(67,737)**	(45,830)
Trade receivables, net *(Note)*	**3,238,445**	2,716,473
Purchase deposits	**480,252**	88,631
Bidding deposits	**29,238**	35,256
Other receivables, deposits and prepayments	**188,906**	169,671
Consideration receivable for disposal of unlisted equity instruments	**27,700**	—
Loan receivable from a former subsidiary	**—**	51,000
Loan receivable from a joint venture/an associate	**18,000**	18,000
VAT receivables	**76,018**	50,566
	4,058,559	3,129,597

Note:

Included in the Group's trade receivable is trade balance with an associate of RMB46,839,000 (2018: RMB39,925,000). Due to the nature of business, the settlement terms of trade receivables are based on the achievement of certain milestones of each sales transaction, and, accordingly, the Group generally allows credit periods ranging from 90 days to 365 days to its trade customers, except for certain customers, the credit periods maybe beyond 365 days. The following is an aged analysis of trade receivables net of allowance for expected credit loss, presented based on the revenue recognition dates at the end of the reporting period:

	2019	2018
	RMB'000	*RMB'000*
0–90 days	**1,231,287**	1,219,657
91–180 days	**483,195**	382,137
181–365 days	**834,862**	508,310
Over 1 year	**689,101**	606,369
	3,238,445	2,716,473

10B. CONTRACT ASSETS

	2019	2018
	RMB'000	*RMB'000*
Contract assets due from customers	**583,497**	437,638

The contract assets primarily relate to the Group's right to consideration for goods delivered and not billed for the sales contracts entered. The contract assets are transferred to trade receivables when the rights become unconditional. This amount is expected to be realised after twelve months from the end of the reporting period, which is under the Group's normal operating cycle and therefore are presented as current asset.

11. TRADE AND OTHER PAYABLES

The credit term of 0–90 days is normally granted. For some suppliers with long business relationship, credit term of 181–365 days is granted. The following is an aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period:

	2019	2018
	RMB'000	*RMB'000*
Trade and bills payables		
0–90 days	**1,506,420**	1,761,118
91–180 days	**728,603**	224,373
181–365 days	**565,036**	115,260
Over 1 year	**80,587**	72,642
	2,880,646	2,173,393
Other payables	**121,251**	98,454
	3,001,897	2,271,847

DIFFERENCES BETWEEN UNAUDITED AND AUDITED ANNUAL RESULTS

The auditing process for the annual results for the year ended 31 December 2019 had not been completed as at the date of publication of Unaudited Annual Results Announcement. Since subsequent adjustments have been made to the unaudited annual results of the Group contained in the Unaudited Annual Results Announcement upon the completion of audit, shareholders and potential investors of the Company are advised to pay attention to certain differences between the unaudited annual results of the Group contained in the Unaudited Annual Results Announcement and the audited annual results of the Group in this announcement. Set forth below are principal details and reasons for the differences in such financial information in accordance with Rule 13.49(3)(ii)(b) of the Listing Rules.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Disclosure in this announcement As at 31 December 2019	Disclosure in the Unaudited Annual Results Announcement As at 31 December 2019	Difference	*Note*
	RMB'000	*RMB'000*	*RMB'000*	
Trade and other receivables and prepayments	**4,058,559**	4,175,927	(117,368)	(a)
Contract assets	**583,497**	466,129	117,368	(a)

Note:

(a) The difference in trade and other receivables and prepayments and contract assets of RMB117,368,000 was due to the reclassification of certain retention held by trade customers previously included in other receivables to contract assets in accordance with their nature.

Save as disclosed in this announcement and the corresponding adjustments in comparative figures related to the above difference, all other information contained in the Unaudited Annual Results Announcement remain unchanged.

REVIEW OF AUDITED ANNUAL RESULTS BY AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") is responsible for assisting the Board in safeguarding the Group's assets by providing an independent review of the effectiveness of the financial reporting process and the internal controls and risk management systems of the Group. It also performs other duties as assigned by the Board.

All the members of the Audit Committee are independent non-executive directors of the Company.

The audited annual results of the Group for the year ended 31 December 2019 have been reviewed by the Audit Committee.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2019 as set out in this further announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year as approved by the Board on 28 April 2020. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this further announcement.

FINAL DIVIDEND

The Board confirms its recommendation set out in the Unaudited Annual Results Announcement of the payment of a final dividend of HK$0.20 per share to the Shareholders whose names appear on the register of members of the Company on Thursday, 25 June 2020 and a resolution to this effect will be proposed and subject to Shareholders' approval at the forthcoming annual general meeting of the Company to be held on Thursday, 18 June 2020. The final dividend will be paid on 8 July 2020.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for the following periods:

(a) For the purpose of determining shareholders who are entitled to attend and vote at the forthcoming annual general meeting to be held on Thursday, 18 June 2020, the register of members will be closed on Monday, 15 June 2020 to Thursday, 18 June 2020, both days inclusive. In order to qualify for attending and voting at the AGM, all transfer documents should be lodged for registration with the Company's branch share registrar in Hong Kong, Link Market Services (Hong Kong) Pty Limited situated at Suite 1601, 16/F, Central Tower, 28 Queen's Road Central, Hong Kong not later than 4:30 p.m. on Friday, 12 June 2020.

(b) For the purpose of determining shareholders who qualify for the final dividend, the register of members will be closed on Wednesday, 24 June 2020 to Thursday, 25 June 2020, both days inclusive. In order to qualify for the final dividend, all transfer documents should be lodged for registration with the Company's branch share registrar in Hong Kong, Link Market Services (Hong Kong) Pty Limited situated at Suite 1601, 16/F, Central Tower, 28 Queen's Road Central, Hong Kong not later than 4:30 p.m. on Tuesday, 23 June 2020.

By order of the Board
Wasion Holdings Limited
Ji Wei
Chairman

Hong Kong, 28 April 2020

As at the date of this announcement, the Board comprises Mr. Ji Wei, Ms. Cao Zhao Hui, Mr. Zeng Xin, Ms. Zheng Xiao Ping and Mr. Tian Zhongping as executive directors of the Company, Mr. Kat Chit as non-executive director of the Company and Mr. Huang Jing, Mr. Luan Wenpeng, Mr. Cheng Shi Jie and Mr. Hui Wing Kuen as independent non-executive directors of the Company.