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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 2020

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 2020 together with comparative figures 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 AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 HK\$	2019 HK\$
Revenue	4	21,894,215	26,783,152
Other revenue	5	122,080	114,000
Other income and (losses)/gains	5	(17,098,001)	83,813,362
Fair value (loss)/gain on investment properties		(85,101,147)	63,609,939
Administrative and general expenses		(6,958,834)	(6,113,460)
Finance costs		<u>(712,953)</u>	<u>(736,951)</u>
(Loss)/profit before income tax	6	(87,854,640)	167,470,042
Income tax expense	7	<u>(1,455,789)</u>	<u>(1,831,379)</u>
(Loss)/profit for the year attributable to the owners of the company		<u>(89,310,429)</u>	<u>165,638,663</u>
Other comprehensive income:			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Changes in fair value of equity instruments at fair value through other comprehensive income		<u>(33,662,532)</u>	<u>1,897,730</u>
Other comprehensive income for the year		<u>(33,662,532)</u>	<u>1,897,730</u>
Total comprehensive income for the year attributable to the owners of the company		<u>(122,972,961)</u>	<u>167,536,393</u>
(Loss)/earnings per share (Basic and diluted)	8	<u>(2.23)</u>	<u>4.14</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Notes	2020 HK\$	2019 HK\$
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		1,555,384	1,633,945
Investment properties	9	940,000,000	610,800,000
Properties held for or under development		5,080,000	4,960,000
Equity instruments at fair value through other comprehensive income	10	<u>81,137,972</u>	<u>128,449,291</u>
		<u>1,027,773,356</u>	<u>745,843,236</u>
Current assets			
Equity instruments at fair value through profit or loss		56,224,483	80,324,407
Trade and other receivables	11	106,605,385	2,396,738
Tax recoverable		25,814	51,723
Cash and bank balances		<u>27,979,110</u>	<u>518,167,105</u>
		<u>190,834,792</u>	<u>600,939,973</u>
Current liabilities			
Other payables		5,745,998	4,690,215
Bank borrowings - secured	12	19,537,491	20,525,200
Tax payable		<u>335,465</u>	<u>103,886</u>
		<u>25,618,954</u>	<u>25,319,301</u>
Net current assets		<u>165,215,838</u>	<u>575,620,672</u>
Total assets less current liabilities		1,192,989,194	1,321,463,908
Non-current liabilities			
Provision for long service payments		118,000	118,000
Deferred tax liabilities		<u>895,919</u>	<u>866,197</u>
		<u>1,013,919</u>	<u>984,197</u>
NET ASSETS		<u>1,191,975,275</u>	<u>1,320,479,711</u>
EQUITY			
Capital and reserves			
Share capital	13	40,000,000	40,000,000
Reserves		<u>1,151,975,275</u>	<u>1,280,479,711</u>
TOTAL EQUITY		<u>1,191,975,275</u>	<u>1,320,479,711</u>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Share capital HK\$	Capital reserve* HK\$	Fair value reserve* HK\$	Retained profits* HK\$	Total HK\$
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:					
Changes in fair value of equity instruments at fair value through other comprehensive income ("FVTOCI")	-	-	1,897,730	-	1,897,730
Total other comprehensive income	-	-	1,897,730	-	1,897,730
Total comprehensive income	-	-	1,897,730	165,638,663	167,536,393
Fair value reserve transferred to retained profits upon disposal of equity instruments at FVTOCI	-	-	(3,634,562)	3,634,562	-
Dividends approved in respect of the previous year (Note 14)	-	-	-	(12,745,275)	(12,745,275)
Dividends declared in respect of the current year (Note 14)	-	-	-	(2,800,000)	(2,800,000)
At 31 March 2019 and 1 April 2019	40,000,000	251,046	44,925,182	1,235,303,483	1,320,479,711
Loss for the year	-	-	-	(89,310,429)	(89,310,429)
Other comprehensive income:					
Changes in fair value of equity instruments at FVTOCI	-	-	(33,662,532)	-	(33,662,532)
Total other comprehensive income	-	-	(33,662,532)	-	(33,662,532)
Total comprehensive income	-	-	(33,662,532)	(89,310,429)	(122,972,961)
Fair value reserve transferred to retained profits upon disposal of equity instruments at FVTOCI	-	-	(8,336,466)	8,336,466	-
Dividends approved in respect of the previous year (Note 14)	-	-	-	(4,731,475)	(4,731,475)
Dividends declared in respect of the current year (Note 14)	-	-	-	(800,000)	(800,000)
At 31 March 2020	<u>40,000,000</u>	<u>251,046</u>	<u>2,926,184</u>	<u>1,148,798,045</u>	<u>1,191,975,275</u>

* These reserve accounts comprise the consolidated reserves of approximately HK\$1,151,975,275 in the consolidated statement of financial position as at 31 March 2020 (2019: HK\$1,280,479,711)

Notes

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

The consolidated financial statements have been prepared under the historical cost basis except for certain properties and financial instruments, which are measured at fair values.

The financial information relating to the years ended 31 March 2020 and 2019 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 (Chapter 622 of the Laws of Hong Kong) (the “Companies Ordinance”) is as follows:

The Company delivered the financial statements for the year ended 31 March 2019 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 2020 to the Registrar of Companies of Hong Kong within the prescribed time limit.

The Company’s auditors have reported on those consolidated financial statements of the Company for both years ended 31 March 2020 and 2019. The auditor’s reports were unqualified; did not include reference to any matters to which the auditors 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 HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

2.1 Adoption of new or revised HKFRSs

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations (“the new HKFRSs”) issued by the HKICPA, which are relevant to and effective for the Group’s consolidated financial statements for the annual period beginning on 1 April 2019:

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
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12, HKAS 23

The impact of the adoption of HKFRS 16 Leases have been summarised in below. The other new or amended HKFRSs that are effective from 1 April 2019 did not have any significant impact on the Group’s accounting policies.

HKFRS 16 - Leases (“HKFRS 16”)

HKFRS 16 brings significant changes in accounting treatment for lease accounting, primarily for accounting for lessees. It replaces HKAS 17 Leases (“HKAS 17”), HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease, HK(SIC)-Int 15 Operating Leases-Incentives and HK(SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. From a lessee’s perspective, almost all leases are recognised in the statement of financial position as right-of-use assets and lease liabilities, with the narrow exception to this principle for leases which the underlying assets are of low-value or are determined as short-term leases. From a lessor’s perspective, the accounting treatment is substantially unchanged from HKAS 17. For details of HKFRS 16 regarding its new definition of a lease, its impact on the Group’s accounting policies and the transition method adopted by the Group as allowed under HKFRS 16, please refer to section (i) to (iv) of this note.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) - Continued

2.1 Adoption of new or revised HKFRSs - Continued

HKFRS 16 - Continued

(i) The new definition of a lease

Under HKFRS 16, a lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset for a period of time when the customer, throughout the period of use, has both: (a) the right to obtain substantially all of the economic benefits from use of the identified asset and (b) the right to direct the use of the identified asset.

For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, unless the lessee apply the practical expedient which allows the lessee to elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group has elected not to separate non-lease components and account for all each lease component and any associated non-lease components as a single lease component for all leases.

(ii) Lessee accounting

Under HKAS 17, a lessee has to classify a lease as an operating lease or a finance lease based on the extent to which risks and rewards incidental to ownership of a lease asset lie with the lessor or the lessee. If a lease is determined as an operating lease, the lessee would recognise the lease payments under the operating lease as an expense over the lease term. The asset under the lease would not be recognised in the consolidated statement of financial position of the lessee.

Under HKFRS 16, all leases are required to be capitalised in the consolidated statement of financial position as right-of-use assets and lease liabilities, but HKFRS 16 provides accounting policy choices for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

The Group recognised a right-of-use asset and a lease liability at the commencement date of a lease.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) - Continued

2.1 Adoption of new or revised HKFRSs - Continued

HKFRS 16 - Continued

(ii) Lessee accounting - Continued

Lease liabilities

The lease liability should be recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group shall use the Group’s incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made and remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g. a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

There are recognition exemptions for short-term leases. Short-term leases are leases with a lease term of 12 months or less at the commencement date. Payments associated with short-term leases are recognised on a straight-line basis as expenses in profit or loss.

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability; (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) - Continued

2.1 Adoption of new or revised HKFRSs - Continued

HKFRS 16 - Continued

(ii) Lessee accounting - Continued

Right-of-use asset - Continued

The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability. The right-of-use asset is depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis. For right-of-use asset that meets the definition of an investment property, they are carried at fair value.

For payments of a property interest which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements. The Group’s leasehold land and buildings that were held for rental or capital appreciation purpose would continue to be accounted for under HKAS 40 and would be carried at fair value. The adoption of HKFRS 16 therefore does not have any significant impact on these right-of-use assets.

(iii) Lessor accounting

The Group has leased out its investment property to a number of tenants. As the accounting under HKFRS 16 for a lessor is substantially unchanged from the requirements under HKAS 17, the adoption of HKFRS 16 does not have significant impact on these financial statements.

(iv) Transitional impact and practice expedients applied

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as lease applying HKAS 17. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application, i.e. 1 April 2019. The Group has also applied HKFRS 16 using the cumulative effect approach and recognised all the cumulative effect of initially applying HKFRS 16 as an adjustment to the opening balance of retained profits at the date of initial application (1 April 2019). The comparative information presented as at 31 March 2019 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16. There was no impact to the opening balance as at 1 April 2019 upon the initial application of HKFRS 16.

The ownership interests in leasehold land held for use as at 31 March 2020, regarded as right-of-use assets, has been included in Property, plant and equipment upon adoption of HKFRS 16.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) - Continued

2.2 New or revised HKFRSs that have been issued but are not yet effective

The following new or revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 3	Definition of a Business ¹
Amendments to HKAS 1 and HKAS 8	Definitions of Material ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ¹
Amendments to HKFRS 16	COVID-19-Related Rent Concessions ²

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

² Effective for annual periods beginning on or after 1 June 2020

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.

3. SEGMENT INFORMATION

The Group determines its operating segments based on internal reports reviewed by the Group's chief operating decision maker (i.e. the executive directors) that are used to assess segment performance and make strategic decision.

The reportable segments of the Group are as follows:

Securities investments	- securities investment for short-term and long-term
Property leasing	- letting investment properties
Property development	- properties held for or under development

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

	Securities investments		Property leasing		Property development		Total	
	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$
Segment revenue								
- external customer	<u>6,836,691</u>	<u>9,727,383</u>	<u>15,057,524</u>	<u>17,055,769</u>	<u>-</u>	<u>-</u>	<u>21,894,215</u>	<u>26,783,152</u>
Segment results before net gains or losses	5,522,890	8,455,350	11,034,413	13,621,678	72,995	75,631	16,630,298	22,152,659
Gain on disposal of investment properties	-	-	-	82,319,818	-	-	-	82,319,818
Fair value loss on equity instruments at fair value through profit or loss ("FVTPL")	(19,901,731)	(4,353,446)	-	-	-	-	(19,901,731)	(4,353,446)
Fair value (loss)/gain on investment properties	-	-	(85,101,147)	63,609,939	-	-	(85,101,147)	63,609,939
Fair value gain/(loss) on properties held for or under development	-	-	-	-	120,000	(12,800)	120,000	(12,800)
Segment results	<u>(14,378,841)</u>	<u>4,101,904</u>	<u>(74,066,734)</u>	<u>159,551,435</u>	<u>192,995</u>	<u>62,831</u>	<u>(88,252,580)</u>	<u>163,716,170</u>
Bank interest income							2,683,730	5,859,790
Finance costs							(712,953)	(736,951)
Unallocated corporate expenses							<u>(1,572,837)</u>	<u>(1,368,967)</u>
(Loss)/profit before income tax							<u>(87,854,640)</u>	<u>167,470,042</u>

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

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. Bank interest income, finance costs and certain corporate expenses are not allocated to the operating segments as they are not included in the measure of the segments results that is used by the chief operating decision-maker for assessment of segment performance.

The Group's customer base is diversified and includes two tenants (2019: one tenant) of leasing properties with whom transactions have exceeded 10% of the Group's revenues amounted to approximately HK\$7.4 million (2019: HK\$4.8 million).

3. SEGMENT INFORMATION - Continued

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

	Securities investments		Property leasing		Property development		Consolidated total	
	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$
Assets								
Segment assets	144,175,839	227,903,580	1,052,237,354	616,788,757	5,080,000	4,960,000	1,201,493,193	849,652,337
Tax recoverable	-	-	24,489	51,398	1,325	325	25,814	51,723
	<u>144,175,839</u>	<u>227,903,580</u>	<u>1,052,261,843</u>	<u>616,840,155</u>	<u>5,081,325</u>	<u>4,960,325</u>	<u>1,201,519,007</u>	<u>849,704,060</u>
Unallocated corporate assets							17,089,141	497,079,149
Total assets							<u>1,218,608,148</u>	<u>1,346,783,209</u>
Liabilities								
Segment liabilities	236,800	165,520	23,762,877	23,606,434	146,508	140,408	24,146,185	23,912,362
Tax payable and deferred tax liabilities	-	-	1,231,384	970,083	-	-	1,231,384	970,083
	<u>236,800</u>	<u>165,520</u>	<u>24,994,261</u>	<u>24,576,517</u>	<u>146,508</u>	<u>140,408</u>	<u>25,377,569</u>	<u>24,882,445</u>
Unallocated corporate liabilities							1,255,304	1,421,053
Total liabilities							<u>26,632,873</u>	<u>26,303,498</u>

Segment assets principally comprise all tangible assets and current assets directly attributable to each segment with the exception of other unallocated head office and corporate assets (including fixed deposits and bank accounts) as these assets are managed on a group basis. Segment liabilities include all liabilities and borrowing directly attributable to and managed by each segment with the exception of other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Other segment information is as follows:

	Securities investments		Property leasing		Property development		Consolidated total	
	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$
Capital expenditure	-	-	414,301,147	88,691,341	-	82,800	414,301,147	88,774,141
Purchase of equity instruments at FVTOCI	1,632,048	16,927,307	-	-	-	-	1,632,048	16,927,307
Loss on disposal of property, plant and equipment	-	-	-	690	-	-	-	690
Depreciation	979	1,122	77,582	78,350	-	-	78,561	79,472
Provision for expected credit losses on trade and other receivables	-	-	90,032	-	-	-	90,032	-
Fair value (loss)/gain on equity instruments at FVTOCI	(33,662,532)	1,897,730	-	-	-	-	(33,662,532)	1,897,730
Gain on disposal of equity instruments at FVTOCI transferred from fair value reserve to retained profits	<u>8,336,466</u>	<u>3,634,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,336,466</u>	<u>3,634,562</u>

4. REVENUE

	2020 HK\$	2019 HK\$
Gross rental income from investment properties	15,057,524	17,055,769
Dividend income from listed investments		
- Equity instruments at FVTPL	2,760,677	3,592,247
- Equity instruments at FVTOCI		
- related to investments derecognised during the year	157,500	82,800
- related to investments held at the end of the reporting period	3,879,497	4,471,870
Gain on disposal of equity instruments at FVTPL	39,017	1,580,466
	<u>21,894,215</u>	<u>26,783,152</u>

5. OTHER REVENUE, OTHER INCOME AND (LOSSES)/GAINS

	2020 HK\$	2019 HK\$
Other revenue		
Sundry income	<u>122,080</u>	<u>114,000</u>

	2020 HK\$	2019 HK\$
Other income and (losses)/gains		
Bank interest income	2,683,730	5,859,790
Gain on disposal of investment properties	-	82,319,818
Fair value loss on equity instruments at FVTPL	(19,901,731)	(4,353,446)
Fair value gain/(loss) on properties held for or under development	<u>120,000</u>	<u>(12,800)</u>
	<u>(17,098,001)</u>	<u>83,813,362</u>

6. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/profit before income tax is arrived at after charging/(crediting):

	2020 HK\$	2019 HK\$
Auditors' remuneration		
- audit services	360,000	257,000
- non-audit services	246,674	154,555
Depreciation		
- Owned property, plant and equipment	8,188	79,472
- Right-of-use-assets including within leasehold land and building	70,373	-
Direct operating expenses in respect of investment properties		
- that generated rental income	861,266	400,430
- that did not generate rental income	71,071	80,688
Gain on disposal of investment properties	-	(82,319,818)
Interest on bank borrowings	712,953	736,951
Loss on disposal of property, plant and equipment	-	690
Provision for expected credit losses on trade and other receivables	<u>90,032</u>	<u>-</u>

7. INCOME TAX EXPENSE

	2020 HK\$	2019 HK\$
Current income tax - Hong Kong Profits tax	1,518,500	1,950,500
Over provision in prior years	<u>(92,433)</u>	<u>(159,273)</u>
	<u>1,426,067</u>	<u>1,791,227</u>
Deferred income tax	<u>29,722</u>	<u>40,152</u>
Income tax expense	<u>1,455,789</u>	<u>1,831,379</u>

Hong Kong Profits tax is calculated at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong, except for one subsidiary of the Company which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

8. (LOSS)/EARNINGS PER SHARE

The basic (loss)/earnings per share for the year is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issue held by the Group of 40,000,000 (2019: 40,000,000) during the year. There were no potential dilutive ordinary share outstanding for both years.

9. INVESTMENT PROPERTIES

	2020 HK\$	2019 HK\$
Fair value		
At the beginning of year (level 3 recurring fair value)	610,800,000	514,100,000
Additions	414,301,147	88,690,061
Disposals	-	(55,600,000)
(Decrease)/increase in fair value recognised in profit or loss	<u>(85,101,147)</u>	<u>63,609,939</u>
At the end of year (level 3 recurring fair value)	<u>940,000,000</u>	<u>610,800,000</u>

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

	2020 HK\$	2019 HK\$
Short-term lease	26,000,000	35,000,000
Medium-term leases	225,700,000	225,500,000
Long-term leases	<u>688,300,000</u>	<u>350,300,000</u>
	<u>940,000,000</u>	<u>610,800,000</u>

The investment properties were revalued on 31 March 2020 and 31 March 2019 by RHL Appraisal Limited, an independent firm of professional surveyors, on an open market value basis.

Included in the investment properties, the carrying value of HK\$586,000,000 (2019: Nil) as at 31 March 2020 represents the investment properties under redevelopment in Hong Kong.

At 31 March 2020, the investment properties with aggregate carrying value of approximately HK\$78,200,000 (2019: HK\$332,400,000) have been pledged to a bank to secure general bank facilities of the Group.

10. EQUITY INSTRUMENTS AT FVTOCI

	2020 HK\$	2019 HK\$
Listed shares in Hong Kong, at fair value		
At the beginning of the year	128,449,291	-
Initial adoption of HKFRS 9 at 1 April 2018	-	115,597,818
Additions	1,632,048	16,927,307
Disposals	(15,280,835)	(5,973,564)
(Decrease)/increase in fair value	<u>(33,662,532)</u>	<u>1,897,730</u>
At the end of the year	<u>81,137,972</u>	<u>128,449,291</u>

The listed equity securities were irrevocably designated at FVTOCI as the Group considers the investment to be long-term strategic capital investment in nature. The Group held less than 1% interest of issued share capital for each underlying investee company.

Top five holdings of the Group's equity investments at FVTOCI are as follows:

Stock Code	Stock name	Principal business	2020 HK\$'000	2019 HK\$'000
5	HSBC Holdings plc	Financials	16,855	22,888
388	Hong Kong Exchanges and Clearing Limited	Financials	13,036	15,067
17	New World Development Co Limited	Properties & Construction	11,883	19,072
2	CLP Holdings Limited	Utilities	7,150	22,738
1398	Industrial and Commercial Bank of China Limited - H Shares	Financials	6,378	N/A
1	CK Hutchison Holdings Limited	Conglomerates	<u>N/A</u>	<u>8,261</u>

N/A - It is not applicable to disclose as they were not the top five holdings of the Group's equity investment at FVTOCI in the respective financial years.

Changes in fair value of the above equity securities are recognised in other comprehensive income and accumulated within the fair value reserve within equity. The Group transfers amounts from fair value reserve to retained profits when the relevant equity securities are derecognised. During the year, the Group disposed certain equity securities resulting in a transfer of accumulated gain on the equity instruments at FVTOCI of approximately HK\$8,336,466 within equity (2019: HK\$3,634,562).

The fair values of listed securities are determined on the basis of their quoted market prices at the end of reporting period.

11. TRADE AND OTHER RECEIVABLES

	2020 HK\$	2019 HK\$
Rental receivables (Note (i))		
- Within 30 days	115,500	143,000
- Within 31 days to 60 days	87,500	66,555
- Within 61 days to 90 days	28,532	300
	<u>231,532</u>	<u>209,855</u>
Other receivables	617,365	1,936,237
Stamp duty receivables (Note (ii))	105,575,000	-
Deposits and prepayments	271,520	250,646
	<u>106,695,417</u>	<u>2,396,738</u>
Less: Provision for expected credit losses	(90,032)	-
	<u>106,605,385</u>	<u>2,396,738</u>

Notes:

- (i) Rental receivables from tenants are payable on presentation of invoices. Normally, monthly rentals are payable in advance by tenants in accordance with the respective lease term. As at 31 March 2020 and 2019, all trade and other receivables are expected to be recovered within one year. The ageing analysis is presented based on the invoice date at the end of the reporting period. 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.

- (ii) During the year, the Group acquired a redevelopment site located at No. 31 Fuk Tsun Street, Kowloon (the "Acquisition"). The Acquisition cost was approximately HK\$404,876,000, comprising the consideration of HK\$383,350,000, stamp duty, professional fees and other incidental costs. Stamp duty receivables in relation to the Acquisition are approximately HK\$105,575,000. The Group does not hold any collateral over these balances.

Movements on the provision for expected credit losses as follows:

	2020 HK\$	2019 HK\$
Balance at beginning of the year	-	-
Provision for impairment	90,032	-
	<u>90,032</u>	<u>-</u>
Balance at end of the year	<u>90,032</u>	<u>-</u>

12. BANK BORROWINGS - SECURED

The Group's secured bank loans at the end of the reporting period were repayable as follows:

	2020 HK\$	2019 HK\$
Current liabilities		
- Within one year	810,588	10,270,200
- After one year but not exceeding two years	810,588	10,255,000
- After two years but not exceeding five years	<u>17,916,315</u>	<u>-</u>
	<u>19,537,491</u>	<u>20,525,200</u>

Notes:

- (a) As at 31 March 2020, secured bank loans of approximately HK\$19,537,000 (2019: HK\$20,525,000) are classified as current liabilities as the related loan agreements contain a clause that provides the lenders with an unconditional right to demand repayment at any time at its own discretion.
- (b) The Group's secured bank loans bear interest at 1.55% above Hong Kong Interbank Offered Rate ("HIBOR"), or 1.8% per annum below Hong Kong Dollars Best Lending Rate ("BLR") of a commercial bank in Hong Kong (2019: 2% above HIBOR, or 1% below BLR). During the year, interest on bank borrowings was HK\$712,953 (2019: HK\$736,951).
- (c) As at 31 March 2020 and 2019, bank borrowings were secured by (i) investment properties amounting to approximately HK\$78,200,000 (2019: HK\$332,400,000); and (ii) a corporate guarantee amounting to HK\$32,900,000 (2019: HK\$82,900,000) in favour of the bank for securing the aforesaid loans.
- (d) 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 2020 and 2019, the Group has not breached any of the covenants of the banking facilities.

13. SHARE CAPITAL

	HK\$
Issued and fully paid:	
At 1 April 2018, 31 March 2019 and 31 March 2020	
- 40,000,000 ordinary shares	<u>40,000,000</u>

14. DIVIDENDS

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

	2020 HK\$	2019 HK\$
Interim dividend declared and paid of HK\$0.02 (2019: HK\$0.02) per ordinary share	800,000	800,000
Interim special dividend declared and paid of HK\$Nil (2019: HK\$0.05) per ordinary share	-	2,000,000
Final dividend proposed after the end of the reporting period of HK\$0.12 (2019: HK\$0.12) per ordinary share	4,800,000	4,800,000
Final special dividend proposed after the end of the reporting period of HK\$0.15 (2019: HK\$Nil) per ordinary share	6,000,000	-
	<u>11,600,000</u>	<u>7,600,000</u>

The final dividend and final special dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(b) Dividends attributable to the previous financial year, approved and paid during the year:

	2020 HK\$	2019 HK\$
Final dividend for the year ended 31 March 2019 of HK\$0.12 (2018: HK\$0.12) per ordinary share	4,800,000	4,800,000
Final special dividend for the year ended 31 March 2019 of HK\$Nil (2018: HK\$0.20) per ordinary share	-	8,000,000
	<u>4,800,000</u>	<u>12,800,000</u>
Unclaimed dividend forfeited*	(68,525)	(54,725)
	<u>4,731,475</u>	<u>12,745,275</u>

* Pursuant to Article 145 of the Articles of Association of the company, on 31 March 2020 the board of directors resolved that the dividends for the financial years 2012/13 to 2013/14 amounting to HK\$68,525 payable on or before 9 January 2014 remained unclaimed on 31 March 2020 be forfeited and recognised in the equity.

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.

The unclaimed dividend forfeited is a non-cash transaction.

15. CAPITAL COMMITMENT

At the end of the reporting period, the Group had the following commitment:

	2020 HK\$	2019 HK\$
Contracted but not provided for:		
Capital expenditure for the redevelopment of the investment properties	14,360,000	-
Authorised but not contracted for:		
Capital expenditure for the redevelopment of the investment properties	<u>40,000,000</u>	<u>-</u>

16. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting date in April 2020, the Group disposed a total of 754,107 shares of HSBC Holdings plc at an aggregated consideration of approximately HK\$29 million. 372,349 of the sale shares were held for trading purpose and the remaining 381,758 sales shares were held for long-term strategic capital investment purpose. The directors of the Company estimated the disposals of shares would record for a loss of approximately HK\$2.3 million (calculated by net sale proceeds less fair value at 31 March 2020) to profit or loss in year ending 31 March 2021. In addition, the Group also disposed of various equity instruments at FVTOCI and FVTPL at a total consideration of approximately HK\$19.4 million up to the reporting date.

DIVIDENDS

In January 2020, the Company paid an interim dividend of 2 HK cents per share (2019: an interim dividend of 2 HK cents per share and an interim special dividend of 5 HK cents per share), totaling HK\$800,000 (2019: HK\$2,800,000).

The board will propose in the Annual General Meeting to be held on 3 September 2020 the payment of a final dividend of 12 HK cents per share and a final special dividend of 15 HK cents per share (2019: final dividend of 12 HK cents per share) in respect of the year ended 31 March 2020, absorbing a total amount of HK\$10,800,000 (2019: HK\$4,800,000). It is proposed that the dividend cheque will be dispatched on or about 29 September 2020 to the shareholders whose names are on the Register of Members on 15 September 2020.

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, 28 August 2020 to Thursday, 3 September 2020, 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, 27 August 2020.

The register of members of the Company will also be closed from Friday, 11 September 2020 to Tuesday, 15 September 2020, 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 and final special dividend for the year ended 31 March 2020. To qualify for the receipt of the proposed dividends, 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, 10 September 2020.

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 2020 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, SALES OR REDEMPTION

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company or any of its subsidiaries during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

For the year under review, the revenue of the Group decreased by HK\$4,888,937 (or 18.25%), to HK\$21,894,215.

During the year, the Group recorded a loss of HK\$89,310,429, as opposed to a profit of HK\$165,638,663 in the preceding year. This change was mainly due to (i) an absence of gain on disposal of investment properties of HK\$82,319,818, which was recorded in the preceding year; (ii) fair value loss on investment properties amounting to HK\$85,101,147, as compared to fair value gain of HK\$63,609,939 in the preceding year; and (iii) a 3.5 times increase in fair value loss in equity instruments at fair value through profit or loss (“equity instruments at FVTPL”)/trading securities, as compared to the preceding year.

Property leasing

Following the disposal of the property situated at No. 96 Bonham Strand in September 2018 and given the property located at Nos. 60-66 Ma Tau Chung Road (“MTC Property”) has been in vacant possession since early September 2019 and its demolition work was completed in February 2020, the rental income of the Group was HK\$15,057,524 during the year, representing a decrease of HK\$1,998,245 (or 11.7%) as compared to last year.

On 10 September 2019, Wing Tai Investment Limited, a wholly-owned subsidiary of the Company, acquired the redevelopment site located at No. 31 Fuk Tsun Street (“FTS Property”) at a total cost of approximate of HK\$404,876,000 (comprising revised consideration of HK\$383,350,000 as stated in the supplemental agreement dated 6 September 2019, stamp duty of HK\$17,425,000, professional fees and other incidental costs). Its site area is approximately 4,403 square feet and its maximum gross floor area is about 39,627 square feet. The building proposed to be built and developed will comprise 24-stories of commercial-residential flats and will be held for investment purpose. The general building plan was approved in late April 2020. Consultancy service on foundation work is underway.

The property market sentiment is weak following the social conflicts in Hong Kong since late June 2019 and the coronavirus (“COVID-19”) outbreak since January 2020. The Group recorded a fair value loss of investment properties of HK\$85,101,147 (2019: fair value gain of HK\$63,609,939) during the year under review. As at 31 March 2020, the Group’s investment properties portfolio amounted to HK\$940,000,000 (2019: HK\$610,800,000).

Property development

For the year ended 31 March 2020, the Group recorded fair value gain of HK\$120,000 (2019: fair value loss of HK\$12,800) on property held for or under development.

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 announcement, the application is still in process.

Share investments and dividend income

Dividend income decreased by HK\$1,349,243 (or 16.6%) to HK\$6,797,674, as compared to last year. The decrease was mainly due to cancellation of dividend payable by HSBC Holdings plc (Stock code: 0005) on 31 March 2020, shares of which were held by the Group during the year under review.

During the year, the Group recorded a realised gain on disposal of equity instruments at FVTPL / trading securities of HK\$39,017 (2019: HK\$1,580,466). The Group also realised a gain of disposal on equity instruments at fair value through other comprehensive income (“equity instruments at FVTOCI”) of HK\$8,336,466 (2019: HK\$3,634,562), which was directly transferred from fair value reserve to retained profits.

During the year under review, the securities market in Hong Kong was unprecedentedly hampered due to social unrest in Hong Kong since June 2019 and the COVID-19 pandemic in first quarter of 2020. The Group recorded an unrealised loss on equity instruments at FVTPL/trading securities of HK\$19,901,731 (2019: HK\$4,353,446) and unrealised loss on equity instruments at FVTOCI of HK\$33,662,532 (2019: unrealised gain of HK\$1,897,730) which were recorded in the consolidated statement of profit or loss and other comprehensive income respectively. As at 31 March 2020, the Group’s listed share investment portfolios had an aggregate fair value of HK\$137,362,455 (2019: HK\$208,773,698).

Except as disclosed elsewhere in this announcement, the Group has no material event after the date of the reporting period that needs to be brought to the attention of the shareholders of the Company.

Share investments and dividend income - Continued

Details of the Group's share investment portfolios as at 31 March 2020 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 31.3.2020 (HK'000)	Proportional to total assets of the Group	Fair value loss during the year (HK\$'000)	Gain on disposal (HK\$'000)	Dividend income (HK\$'000)
1. 5	HSBC Holdings plc	Financials	26,782	16,855	1.4%	(7,497)	-	876
2. 388	Hong Kong Exchanges and Clearing Limited	Financials	11,499	13,036	1.1%	(2,200)	-	374
3. 17	New World Development Co. Ltd.	Properties & Construction	12,810	11,883	1.0%	(6,667)	274	727
4. 2	CLP Holdings Limited	Utilities	3,474	7,150	0.6%	(2,760)	7,616	465
5. 1398	ICBC - H Shares	Financials	6,881	6,378	0.5%	(529)	-	308
6. 1	CK Hutchison Holdings Limited	Conglomerates	9,479	5,240	0.4%	(3,021)	-	318
7. 1113	CK Assets Holdings Limited	Properties & Construction	-	4,253	0.4%	(2,740)	-	195
	Others (note (1))		26,107	16,343	1.3%	(8,249)	446	774
	Total		97,032	81,138	6.7%	(33,663)	8,336	4,037

Note (1): Other securities included eight stocks listed in Hong Kong, six of which were current constituents of the Hang Seng Index and their principal businesses mainly included conglomerates, financials, energy and utilities. The market value of 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 in the 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 31.3.2020 (HK'000)	Proportional to total assets of the Group	Fair value loss during the year (HK\$'000)	(Loss)/gain on disposal (HK\$'000)	Dividend income (HK\$'000)
1. 5	HSBC Holdings plc	Financials	30,202	16,439	1.3%	(7,312)	-	855
2. 388	Hong Kong Exchanges and Clearing Limited	Financials	4,065	8,930	0.7%	(1,507)	(178)	290
3. 1398	ICBC - H Shares	Financials	8,388	6,903	0.6%	(572)	-	333
4. 2628	China Life Insurance Company Limited - H share	Financials	8,804	6,679	0.6%	(2,583)	38	79
5. 17	New World Development Co. Ltd.	Properties & Construction	5,702	4,507	0.4%	(2,529)	-	276
6. 3988	Bank of China Limited - H Shares	Financials	6,556	5,251	0.4%	(1,043)	-	335
7. 386	China Petroleum & Chemical Corporation - H share	Energy	6,789	3,629	0.3%	(2,252)	-	373
8. 12	Henderson Land Development Company Limited	Properties & Construction	2,812	3,039	0.2%	(1,626)	(109)	190
	Others (note (1))		5,358	847	0.1%	(478)	288	30
	Total		78,676	56,224	4.6%	(19,902)	39	2,761

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

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

Liquidity and financial resources

As at 31 March 2020, the Group's total bank borrowings were HK\$19,537,491 which were wholly repayable within five years (2019: HK\$20,525,200, wholly repayable within two 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, remained at 1.6%. The Group's banking facilities are subject to review at any time, and also subject to the Bank's overriding right of repayment on demand.

After the acquisition of the FTS Property, cash held by the Group as at 31 March 2020 was reduced to approximately HK\$28,000,000 (2019: HK\$518,000,000). The Group's outstanding capital commitments for property redevelopment projects, which were contracted but not accounted for, were HK\$14,360,000. The year under review and upcoming few years are viewed as capital expenditure years in the Group's business cycle. The capital expenditures for redevelopment projects are expected to be partly funded by internal resources and partly funded by construction loan. 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, project development expenditure and loan repayment obligations. The Group will arrange new credit facilities for the Group's property development, when necessary. 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 2020, the Group's investment properties with an aggregate carrying value of HK\$78,200,000 (2019: HK\$332,400,000) were pledged to a bank to secure general banking facilities granted to the Group.

PROSPECTS

The rapid spread of COVID-19 across the countries creates a great unprecedented challenge to the global economy. Unemployment rates have increased and are likely to worsen and business activities have generally slowed down. Businesses such as retail shops, catering business, and entertaining business had been severely affected and even shut down during the difficult period. Since the outbreak of COVID-19, the Group has provided assistance to certain tenants through the grant of temporary rental concession, on a case by case basis, and rental income from the investment properties is inevitably adversely affected.

Social unrest in Hong Kong has not calmed down, and the global economy is facing a great uncertainty due to the widespread of COVID-19. Trade tension between US and China and outcome of the Brexit add to the uncertainties. The market value and rental yield of the Group's properties are expected to be under downward pressure. The Group expects the annual rental for the year ended 31 March 2021 will be reduced by approximately 10%, as compared to the year ended 31 March 2020.

With China's recent promotion of the National Security Law to Hong Kong, the Group believes that in the long run, it can reduce social turmoil; the society, people's livelihood and economic prospects will become clearer.

Generally speaking, the market value of the listed shares has dropped significantly since late January 2020. The Group expects the securities market will be more volatile and dividend rate declared by the listed companies will be reduced in next financial year. Following the subsequent disposal of the Group's share investment listed on the Stock Exchange on the open market at an aggregated consideration of approximately HK\$48.4 million, the annual dividend income for the year ending 31 March 2021 is expected to reduce by approximately HK\$2,391,000 (or 35%) to approximately HK\$4,407,000, as compared to HK\$6,798,000 for the year ended 31 March 2020. In the short run, the Group inclines to retain more cash to cope with the possibility of global recession. The Group will keep a close watch on market and political changes and make appropriate strategic adjustments to the Group's assets portfolio in order to safeguard the assets of the Group and the consequential return to shareholders.

By Order of the Board

Ng Tai Wai
Chairman

Hong Kong, 30 June 2020

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.