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WANG ON GROUP LIMITED
（宏安集團有限公司）*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2019

ANNUAL FINANCIAL HIGHLIGHTS

	FY2019	FY2018	YoY change
Revenue *(HK$' million)*	**4,009**	2,621	+53.0%
Gross profit *(HK$' million)*	**1,718**	1,060	+62.1%
Net profit attributable to Shareholders *(HK$' million)*	**420**	1,223	-65.7%
EPS *(HK cents)*			
Basic and diluted	**2.30**	6.52	-64.7%
Dividend per share *(HK cent)*			
Final	**0.84**	0.50	+68.0%
Interim	**0.10**	0.10	—
	As at 31.3.2019	As at 31.3.2018	
Total net asset value *(HK$' million)*	**8,006**	7,999	+0.1%
NAV per share *(HK$)*	**0.45**	0.42	+7.1%
Gearing ratio	**40.0%**	25.1%	+14.9%
Cash and cash equivalents *(HK$' million)*	**2,318**	2,664	-13.0%

* *For identification purpose only*

RESULTS

The board of directors (the "**Board**" or the "**Directors**") of Wang On Group Limited (the "**Company**") is pleased to announce the 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 previous financial year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2019

	Notes	**2019** *HK$'000*	2018 *HK$'000*
REVENUE			
Revenue from contracts with customers	*4*	**3,557,426**	2,156,100
Interest income from treasury operation	*4*	**235,503**	213,527
Revenue from other sources	*4*	**216,146**	251,371
Total revenue		**4,009,075**	2,620,998
Cost of sales		**(2,290,961)**	(1,561,342)
Gross profit		**1,718,114**	1,059,656
Other income and gains, net	*4*	**76,230**	1,771,077
Selling and distribution expenses		**(406,764)**	(333,951)
Administrative expenses		**(402,760)**	(449,397)
Reversal of impairment losses/(impairment losses) on financial assets, net	*5*	**70,216**	(46,471)
Other expenses		**(59,907)**	(67,507)
Finance costs	*6*	**(134,688)**	(92,389)
Fair value gains/(losses) on financial assets at fair value through profit or loss, net		**2,201**	(52,937)
Fair value gains on investment properties, net		**89,058**	78,304
Reversal of write-down of properties held for sale		**88,856**	–
Share of profits and losses of:			
Joint ventures		**(27,162)**	3,672
Associates		**51,797**	(35,008)
PROFIT BEFORE TAX	*5*	**1,065,191**	1,835,049
Income tax expense	*7*	**(171,800)**	(69,055)
PROFIT FOR THE YEAR		**893,391**	1,765,994

	2019	2018
	HK$'000	*HK$'000*
OTHER COMPREHENSIVE INCOME/(LOSS)		
Items that may be reclassified to profit or loss in subsequent periods:		
Available-for-sale investments:		
Changes in fair value	–	(39,387)
Reclassification adjustments for losses included in profit or loss		
– Loss on disposal	–	2,209
– Impairment losses	–	33,368
Debt investments at fair value through other comprehensive income:		
Changes in fair value	**405**	–
Reclassification adjustments for impairment losses included in profit or loss	**(75,190)**	–
Exchange differences on translation of foreign operations	**(9,971)**	5,877
Other reserves:		
Share of other comprehensive income/(loss) of joint ventures	**(5,019)**	9,602
Share of other comprehensive income/(loss) of associates	**(26,917)**	27,629
Release of reserves upon deemed partial disposal of equity interests in an associate	–	(973)
	(31,936)	36,258
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	**(116,692)**	38,325
Items that will not be reclassified to profit or loss in subsequent periods:		
Equity investments at fair value through other comprehensive income:		
Changes in fair value	**(85,826)**	–
Deferred tax	**(3,521)**	–
	(82,305)	–
Share of other comprehensive loss of an associate	**(4,240)**	–
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	**(86,545)**	–

	Note	2019 HK$'000	2018 HK$'000
OTHER COMPREHENSIVE INCOME/ (LOSS) FOR THE YEAR		**(203,237)**	38,325
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**690,154**	1,804,319
Profit attributable to:			
Owners of the parent		**419,782**	1,223,444
Non-controlling interests		**473,609**	542,550
		893,391	1,765,994
Total comprehensive income attributable to:			
Owners of the parent		**284,728**	1,249,250
Non-controlling interests		**405,426**	555,069
		690,154	1,804,319
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic and diluted		**HK2.30 cents**	HK6.52 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 March 2019

	Notes	2019 HK$'000	2018 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**1,292,739**	1,325,728
Investment properties		**1,367,500**	1,422,000
Properties under development		**1,355,318**	152,997
Trademarks		**–**	61,356
Investments in joint ventures		**1,481,855**	1,510,843
Investments in associates		**105,164**	77,315
Available-for-sale investments		**–**	1,302,052
Financial assets at fair value through other comprehensive income		**648,410**	–
Financial assets at fair value through profit or loss		**95,934**	7,661
Loans and interest receivables	*11*	**184,761**	738,657
Prepayments, other receivables and other assets		**433,692**	63,049
Deferred tax assets		**35,313**	32,460
Total non-current assets		**7,000,686**	6,694,118
CURRENT ASSETS			
Properties under development		**3,328,595**	2,599,460
Properties held for sale		**687,167**	719,080
Inventories		**161,508**	183,175
Trade and bills receivables	*10*	**109,303**	123,179
Loans and interest receivables	*11*	**1,044,284**	533,444
Prepayments, other receivables and other assets		**454,171**	1,539,258
Cost of obtaining contracts		**115,779**	–
Available-for-sale investments		**–**	53,702
Financial assets at fair value through other comprehensive income		**925,251**	–
Financial assets at fair value through profit or loss		**56,262**	272,459
Tax recoverable		**1,448**	1,616
Cash and cash equivalents		**2,318,224**	2,664,364
		9,201,992	8,689,737
Assets classified as held for sale		**215,176**	532,673
Total current assets		**9,417,168**	9,222,410

	Note	2019 *HK$'000*	2018 *HK$'000*
CURRENT LIABILITIES			
Trade payables	*12*	**195,570**	252,656
Other payables and accruals		**340,796**	215,680
Deposits received and receipts in advance		**7,623**	2,285,795
Contract liabilities		**1,963,026**	–
Bank and other loans		**2,124,043**	1,483,418
Provision for onerous contracts		**18,613**	9,663
Tax payable		**260,461**	86,541
		4,910,132	4,333,753
Liabilities directly associated with the assets classified as held for sale		**361**	147,775
Total current liabilities		**4,910,493**	4,481,528
NET CURRENT ASSETS		**4,506,675**	4,740,882
TOTAL ASSETS LESS CURRENT LIABILITIES		**11,507,361**	11,435,000
NON-CURRENT LIABILITIES			
Bank and other loans		**3,397,719**	3,191,679
Deferred tax liabilities		**36,678**	50,152
Other payables		**13,184**	164,958
Deposits received		**54,254**	28,766
Total non-current liabilities		**3,501,835**	3,435,555
Net assets		**8,005,526**	7,999,445
EQUITY			
Equity attributable to owners of the parent			
Issued capital		**178,675**	189,285
Reserves		**5,712,371**	5,610,237
		5,891,046	5,799,522
Non-controlling interests		**2,114,480**	2,199,923
Total equity		**8,005,526**	7,999,445

NOTES TO FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss which have been measured at fair value. Disposal groups held for sale (other than investment properties and financial instruments) are stated at the lower of their carrying amounts and fair values less costs to sell. These financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2019. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest, and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained, and (iii) any resulting surplus or deficit in profit or loss.

The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

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*
HKFRS 9	*Financial Instruments*
HKFRS 15	*Revenue from Contracts with Customers*
Amendments to HKFRS 15	*Clarifications to HKFRS 15 Revenue from Contracts with Customers*
Amendments to HKAS 40	*Transfers of Investment Property*
HK(IFRIC)-Int 22	*Foreign Currency Transactions and Advance Consideration*
Annual Improvements 2014–2016 Cycle	Amendments to HKFRS 1 and HKAS 28

Except for the amendments to HKFRS 4 and *Annual Improvements 2014–2016 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised HKFRSs are described below:

(a) Amendments to HKFRS 2 address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet an employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The amendments have had no impact on the financial position or performance of the Group as the Group does not have any cash-settled share-based payment transactions and has no share-based payment transactions with net settlement features for withholding tax.

(b) HKFRS 9 *Financial Instruments* replaces HKAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

The Group has recognised the transition adjustments against the applicable opening balances in equity at 1 April 2018. Therefore, the comparative information was not restated and continues to be reported under HKAS 39.

Classification and measurement

The following information sets out the impacts of adopting HKFRS 9 on the statement of financial position, including the effect of replacing HKAS 39's incurred credit loss calculations with HKFRS 9's expected credit losses ("**ECLs**").

A reconciliation between the carrying amounts under HKAS 39 and the balances reported under HKFRS 9 as at 1 April 2018 is as follows:

		HKAS 39 measurement		Re-		Change in		HKFRS 9 measurement	
	Notes	Category	Amount	classification	ECLs	fair value	Others	Amount	Category
			HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	
Financial assets									
AFS		AFS[2]	1,355,754	(1,355,754)	–	–	–	–	N/A
To: FVOCI	(i)			(1,293,714)	–	–	–		
To: FVPL	(iii)			(62,040)	–	–	–		
FVOCI									FVOCI[1]
– Equity investments		N/A	—	187,493	–	–	–	187,493	(equity)
– Debt investments		N/A	—	1,293,714	(180,559)	180,559	–	1,293,714	(debt)
From: AFS	(i)			1,293,714	–	–	–		
From: FVPL	(ii)			187,493	–	–	–		
FVPL		FVPL[5]	280,120	(125,453)	–	–	–	154,667	FVPL (mandatory)
To: FVOCI	(ii)			(187,493)	–	–	–		
From: AFS	(iii)			62,040	–	–	–		
Trade and bills receivables		L&R[3]	123,179	–	(3,581)	–	–	119,598	AC[4]
Loans and interest receivables		L&R	1,272,101	–	(7,512)	–	–	1,264,589	AC
Financial assets included in prepayments, other receivables and other assets		L&R	1,189,849	–	–	–	–	1,189,849	AC
Cash and cash equivalents		L&R	2,664,364	–	–	–	–	2,664,364	AC
			6,885,367	–	(191,652)	180,559	–	6,874,274	
Other assets									
Investments in associates			77,315	–	–	–	(280)	77,035	
Deferred tax assets			32,460	–	–	–	49	32,509	
			109,775	–	–	–	(231)	109,544	
Total			6,995,142	–	(191,652)	180,559	(231)	6,983,818	

	HKAS 39 measurement		Re-		Change in		HKFRS 9 measurement	
	Category	Amount	classification	ECLs	fair value	Others	Amount	Category
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	
Financial liabilities								
Trade payables	AC	252,656	—	—	—	—	252,656	AC
Financial liabilities included in other payables and accruals	AC	279,977	—	—	—	—	279,977	AC
Deposits received and receipts in advance	AC	2,314,561	—	—	—	—	2,314,561	AC
Bank and other borrowings	AC	4,675,097	—	—	—	—	4,675,097	AC
Total		7,522,291	—	—	—	—	7,522,291	

[1] FVOCI: Financial assets at fair value through other comprehensive income

[2] AFS: Available-for-sale investments

[3] L&R: Loans and receivables

[4] AC: Financial assets or financial liabilities at amortised cost

[5] FVPL: Financial assets at fair value through profit or loss

Notes:

(i) As of 1 April 2018, the Group has assessed its liquidity portfolio of certain debt investments which had previously been classified as available-for-sale investments. The objective of the Group in holding this liquidity portfolio is to earn interest income and, at the same time, manage everyday liquidity needs. The Group concluded that these debt investments are managed within a business model to collect contractual cash flows and to sell the financial assets. Accordingly, the Group has classified these investments as debt investments measured at fair value through other comprehensive income.

(ii) The Group has elected the option to irrevocably designate certain of its equity investments previously classified as financial assets at fair value through profit or loss as financial assets at fair value through other comprehensive income.

(iii) The Group has classified certain of its debt investments previously classified as available-for-sale investments as financial assets measured at fair value through profit or loss as these debt investments did not pass the contractual cash flow characteristics test in HKFRS 9.

Impairment

The following table reconciles the aggregate opening impairment allowances under HKAS 39 to the ECL allowances under HKFRS 9.

	Impairment allowances under HKAS 39 at 31 March 2018	**Re-measurement**	**ECL allowances under HKFRS 9 at 1 April 2018**
	HK$'000	*HK$'000*	*HK$'000*
AFS under HKAS 39/debt investments at fair value through other comprehensive income under HKFRS 9	33,368	180,559	213,927
Trade and bills receivables	2,583	3,581	6,164
Loans and interest receivables	14,729	7,512	22,241
	50,680	191,652	242,332

As a result of an additional impairment of HK$180,559,000 against the debt investments at FVOCI upon the adoption of HKFRS 9, there was a corresponding increase in fair value recognised on these debt investments as at 1 April 2018.

(c) HKFRS 15 and its amendments replace HKAS 11 *Construction Contracts*, HKAS 18 *Revenue* and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. As a result of the application of HKFRS 15, the Group has changed the accounting policy with respect to revenue recognition.

The Group has adopted HKFRS 15 using the modified retrospective method of adoption. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group has elected to apply the standard to contracts that are not completed as at 1 April 2018.

The cumulative effect of the initial application of HKFRS 15 was recognised as an adjustment to the opening balance of retained profits as at 1 April 2018. Therefore, the comparative information was not restated and continues to be reported under HKAS 11, HKAS 18 and related interpretations.

Set out below are the amounts by which each financial statement line item was affected as at 1 April 2018 as a result of the adoption of HKFRS 15:

	Notes	Increase/ (decrease) HK$'000
Assets		
Properties under development	*(i)*	54,262
Cost of obtaining contracts	*(ii)*	67,256
Prepayments, other receivables and other assets	*(ii), (iii)*	(62,278)
Total assets		59,240
Liabilities		
Contract liabilities	*(i)*	2,264,723
Deposits received and receipts in advance	*(i)*	(2,210,461)
Other payables and accruals	*(iii)*	6,980
Total liabilities		61,242
Equity		
Retained profits	*(iii), (iv)*	(1,132)
Non-controlling interests	*(iv)*	(870)
		(2,002)

The nature of the adjustments as at 1 April 2018 are described below:

Notes:

(i) Consideration received from customers in advance
Before the adoption of HKFRS 15, the Group recognised consideration received from customers in advance as deposits received and receipts in advance. Under HKFRS 15, the amount is classified as contract liabilities.

Therefore, upon adoption of HKFRS 15, the Group reclassified HK$2,210,461,000 from deposits received and receipts in advance to contract liabilities as at 1 April 2018 in relation to the consideration received from customers in advance as at 1 April 2018.

Financing component for sales of completed properties
HKFRS 15 requires property developers to account for the financing component in a contract separately from revenue if the financing effects are significant, subject to a practical expedient where the period between the payment and delivery of properties will be less than one year. Currently, (i) the Group offers property buyers a discount if they opt to pay the purchase price in full within 120 to 180 days of signing the provisional agreement of sale and purchase; and (ii) it is expected that the length of time between the payment and delivery of properties of the Group's projects will exceed one year. Accordingly, the financing component is considered to be significant.

The amount of the financing component is estimated at the contract inception and the payment plan is confirmed by the property buyer by using a discount rate that would be reflected in a separate financing transaction between the Group and the customer reflecting the credit characteristics of the Group as well as any collateral or security provided. Interest expense is recognised only to the extent that a contract liability (receipts in advance) is recognised in accounting for the contract with the customer.

Upon adoption of HKFRS15, the Group has recognised and capitalised the interest on the sales proceeds received from customers in connection with the pre-sales of properties and led to the increase in properties under development of HK$54,262,000, with a correspondence increase in contract liabilities as at 1 April 2018.

(ii) Cost of obtaining contracts

Prior to the adoption of HKFRS 15, the Group pays commission to the sales agents when agreement for sale and purchase is signed with a property buyer and recorded such sales commission as prepayment. Capitalised sales commission are charged to profit or loss when the revenue from the related property sales is recognised and are included as selling and distribution expenses at that time.

Except for the reclassification of prepaid sales commission of HK$67,256,000 from prepayments, other receivables and other assets to cost of obtaining contracts, the adoption of HKFRS 15 has had no significant impact on the recognition of sale commission in 2019 and opening retained profits as at 1 April 2018.

(iii) Sale of Chinese and Western pharmaceutical and health food products with variable consideration

Some contracts for the sale of Chinese and Western pharmaceutical and health food products provide customers with a right of return. Before adopting HKFRS 15, the Group recognised revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns. If revenue could not be reliably measured, the Group deferred the recognition of revenue until the uncertainty was resolved. Under HKFRS 15, rights of return give rise to variable consideration which is determined using the expected value method.

Rights of return

For a contract that provides a customer with a right to return the goods within a specified period, the Group previously estimated expected returns based on the average historical return rate.

Upon adoption of HKFRS 15, the Group recognised a right-of-return asset which is included in prepayments, other receivables and other assets and is measured at the former carrying amount of the goods to be returned less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. In addition, a refund liability was recognised based on the amount that the Group expects to return to the customers using the expected value method. Accordingly, the Group recognised refund liabilities of HK$6,980,000 as included in other payables and accruals and recognised right-of-return assets of HK$4,978,000 as included in prepayments, other receivables and other assets which resulted in a decrease in retained profits of HK$1,132,000 as at 1 April 2018.

(iv) Other adjustments

In addition to the adjustments described above, other items of the primary financial statements such as tax and non-controlling interests were adjusted as necessary. Retained profits were adjusted accordingly.

(d) Amendments to HKAS 40 clarify when an entity should transfer property, including property under construction or development, into or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments have had no impact on the financial position or performance of the Group.

(e) HK(IFRIC)-Int 22 provides guidance on how to determine the date of the transaction when applying HKAS 21 to the situation where an entity receives or pays advance consideration in a foreign currency and recognises a non-monetary asset or liability. The interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset (such as a prepayment) or non-monetary liability (such as deferred income) arising from the payment or receipt of the advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the entity must determine the transaction date for each payment or receipt of the advance consideration. The interpretation has had no impact on the Group's financial statements as the Group's accounting policy for the determination of the exchange rate applied for initial recognition of non-monetary assets or non-monetary liabilities is consistent with the guidance provided in the interpretation.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments as follows:

(a) the property development segment engages in the development of properties;

(b) the property investment segment engages in investment in car parking spaces, industrial and commercial premises and residential units for rental or for sale;

(c) the fresh markets segment engages in the management and sub-licensing of fresh markets;

(d) the pharmaceutical segment engages in the production and sale of pharmaceutical and health food products; and

(e) the treasury management segment engages in the provision of finance and investments in debt and other securities which earn interest income;

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that bank interest income, finance costs, fair value gains/losses from the Group's financial assets at fair value through profit or loss, gains/losses arising from acquisition/disposal transactions, head office and corporate income and expenses and share of profits and losses of joint ventures and associates are excluded from such measurement.

	Property development 2019 HK$'000	Property development 2018 HK$'000	Property investment 2019 HK$'000	Property investment 2018 HK$'000	Fresh markets 2019 HK$'000	Fresh markets 2018 HK$'000	Pharmaceutical 2019 HK$'000	Pharmaceutical 2018 HK$'000	Treasury management 2019 HK$'000	Treasury management 2018 HK$'000	Elimination 2019 HK$'000	Elimination 2018 HK$'000	Total 2019 HK$'000	Total 2018 HK$'000
Segment revenue														
Sales to external customers	**2,826,961**	1,333,515	**24,348**	25,832	**188,421**	221,279	**733,842**	826,845	**235,503**	213,527	**–**	–	**4,009,075**	2,620,998
Intersegment sales	**–**	–	**15,951**	16,323	**–**	–	**6,855**	9,372	**–**	–	**(22,806)**	(25,695)	**–**	–
Other revenue	**27,512**	11,661	**56,863**	87,477	**20,895**	13,718	**–**	–	**234**	1,966	**–**	–	**105,504**	114,822
Total	**2,854,473**	1,345,176	**97,162**	129,632	**209,316**	234,997	**740,697**	836,217	**235,737**	215,493	**(22,806)**	(25,695)	**4,114,579**	2,735,820
Segment results	**1,051,564**	339,372	**72,539**	63,478	**27,490**	24,328	**(148,894)**	(115,538)	**213,878**	91,369	**–**	–	**1,216,577**	403,009
Reconciliation:														
Bank interest income													**21,149**	14,008
Finance costs													**(134,688)**	(92,389)
Fair value gains/(losses) on financial assets at fair value through profit or loss, net													**2,201**	(52,937)
Gain on disposals of subsidiaries, net													**7,575**	1,245,753
Gain on remeasurement of the retained 50% equity interest of a joint venture													**–**	467,039
Corporate and unallocated expenses, net													**(72,258)**	(118,098)
Share of profits and losses of:														
Joint ventures													**(27,162)**	3,672
Associates													**51,797**	(35,008)
Profit before tax													**1,065,191**	1,835,049
Income tax expense													**(171,800)**	(69,055)
Profit for the year													**893,391**	1,765,994

Geographical information

(a) *Sales to external customers*

	2019	2018
	HK$'000	*HK$'000*
Hong Kong	**3,815,381**	2,381,666
Mainland China	**156,925**	208,153
Macau	**32,005**	13,431
Others	**4,764**	17,748
	4,009,075	2,620,998

The revenue information above is based on the locations of the customers.

(b) *Non-current assets*

	2019	2018
	HK$'000	*HK$'000*
Hong Kong	**5,410,620**	4,339,432
Mainland China	**254,386**	210,576
Macau	**395**	231
	5,665,401	4,550,239

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

During the current year, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of the Group's revenue is as follows:

	2019	2018
	HK$'000	*HK$'000*
Revenue		
Revenue from contracts with customers		
Sale of properties	**2,823,584**	1,329,255
Sale of goods	**733,842**	826,845
	3,557,426	2,156,100
Interest income		
Interest income from treasury operation	**235,503**	213,527
Revenue from other sources		
Sub-licensing fee income	**188,421**	221,149
Gross rental income	**21,692**	30,222
Dividend income from financial assets	**2,745**	–
Gain on disposal of listed equity investments at fair value through profit or loss held for trading	**3,288**	–
	216,146	251,371
	4,009,075	2,620,998
Other income		
Bank interest income	**21,149**	14,008
Dividend income from listed securities	**–**	3,315
Management fee income	**9,132**	4,980
Forfeiture of deposits from customers	**9,745**	3,585
Others	**23,996**	28,276
	64,022	54,164
Gains, net		
Gains on disposals of subsidiaries, net	**7,575**	1,245,753
Gain on remeasurement of the retained 50% equity interest as a joint venture	**–**	467,039
Gain on disposal of investment properties	**2,649**	4,121
Gain on disposal/early redemption of debt investments at fair value through other comprehensive income	**1,984**	–
	12,208	1,716,913
Other income and gains, net	**76,230**	1,771,077

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2019	2018
	HK$'000	*HK$'000*
Cost of services provided	**157,350**	190,995
Cost of properties sold	**1,680,166**	841,518
Cost of inventories recognised as an expense (including allowance for obsolete inventories of HK$9,454,000 (2018: HK$4,840,000))	**449,915**	522,932
Depreciation	**73,887**	74,289
Minimum lease payments under operating leases	**197,513**	248,226
Auditor's remuneration	**11,400**	6,000
Employee benefit expense (including directors' remuneration):		
Wages and salaries	**341,684**	373,263
Pension scheme contributions	**14,779**	14,038
Less: Amount capitalised	**(10,522)**	(11,214)
	345,941	376,087
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties***	**3,530**	5,897
Gain on disposal of investment properties**	**(2,649)**	(4,121)
Impairment/(reversal of impairment) of items of property, plant and equipment*	**(20,675)**	54,020
Impairment of trademarks*	**61,356**	7,635
Foreign exchange differences, net*	**10,276**	269
Impairment losses/(reversal of impairment losses) of financial assets, net:		
Reversal of impairment of debt investments at fair value through other comprehensive income, net	**(75,190)**	–
Impairment of trade receivables, net	**2,343**	3,017
Impairment of loans and interest receivables, net	**2,631**	10,086
Impairment of available-for-sale investments	**–**	33,368
	(70,216)	46,471
Provision for onerous contracts*	**8,950**	5,583

* These expenses are included in "Other expenses" on the face of the consolidated statement of profit or loss and other comprehensive income.

** The gain is included in "Other income and gains, net" on the face of the consolidated statement of profit or loss and other comprehensive income.

*** These expenses are included in "Cost of sales" on the face of the consolidated statement of profit or loss and other comprehensive income.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2019	2018
	HK$'000	*HK$'000*
Interest on bank loans and other loans	**184,038**	156,310
Interest expenses arising from revenue contracts	**24,592**	–
Less: Interest capitalised	**(73,942)**	(63,921)
	134,688	92,389

7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

	2019	2018
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the year	**181,206**	73,917
Under/(over)-provision in prior years	**2,537**	(1,128)
Current – other jurisdiction		
Charge for the year	**–**	569
	183,743	73,358
Deferred	**(11,943)**	(4,303)
Total tax charge for the year	**171,800**	69,055

8. DIVIDENDS

	2019	2018
	HK$'000	*HK$'000*
Interim – HK0.1 cent (2018: Interim – HK0.1 cent) per ordinary share	**18,929**	19,059
Less: interim dividend related to treasury shares	**(423)**	(423)
Less: interim dividend related to treasury shares attributable to the non-controlling shareholders	**(184)**	(184)
	18,322	18,452
2018 final – HK0.5 cent (2018: 2017 final – HK0.5 cent) per ordinary share	**94,643**	96,443
Less: 2018 final dividend related to treasury shares	**(2,115)**	(2,115)
Less: 2018 final dividend related to treasury shares attributable to the non-controlling shareholders	**(919)**	(919)
	91,609	93,409
	109,931	111,861

Subsequent to the end of the reporting period, the Board has recommended the payment of a final dividend of HK0.84 cent per share (2018: HK0.5 cent), totalling approximately HK$150,087,000, for the year ended 31 March 2019 (2018: HK$94,643,000) to the shareholders of the Company.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the year less the weighted average number of the treasury shares held by the Group during the year.

The Company had no potentially dilutive ordinary shares in issue during the years ended 31 March 2019 and 2018 and the share options of the Company's subsidiary outstanding during the years ended 31 March 2019 and 2018 also had no dilutive effect on the basic earnings per share amounts presented for the years ended 31 March 2019 and 2018.

The calculations of basic and diluted earnings per share are based on:

	2019	2018
	HK$'000	*HK$'000*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	**419,782**	1,223,444

	Number of shares	
	2019	2018
	'000	*'000*
Shares		
Weighted average number of ordinary shares in issue	**18,649,134**	19,183,621
Less: Weighted average number of treasury shares	**(423,000)**	(423,000)
Weighted average number of ordinary shares used in the basic and diluted earnings per share calculation	**18,226,134**	18,760,621

10. TRADE AND BILLS RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Trade receivables	**116,953**	125,122
Bills receivable	**–**	640
Impairment	**(7,650)**	(2,583)
	109,303	123,179

The Group's trading terms with its customers are mainly on credit. The credit periods range from 7 to 120 days. Each customer has a maximum credit limit and the credit limit is reviewed regularly. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest bearing.

Included in the Group's trade receivables are amounts due from the Group's associates of HK$13,871,000 (2018: HK$7,480,000), which are repayable on credit terms similar to those offered to the major customers of the Group.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	2019	2018
	HK$'000	*HK$'000*
Within 1 month	**63,042**	59,902
1 to 3 months	**29,464**	35,176
3 to 6 months	**13,173**	21,307
Over 6 months	**3,624**	6,154
	109,303	122,539

11. LOANS AND INTEREST RECEIVABLES

		2019	2018
	Notes	***HK$'000***	*HK$'000*
Loans and interest receivables, secured	*(i)*	**1,047,538**	1,062,675
Loans and interest receivables, unsecured	*(ii)*	**200,165**	224,155
		1,247,703	1,286,830
Less: Impairment allowance		**(18,658)**	(14,729)
		1,229,045	1,272,101
Less: Loans and interest receivables classified as non-current assets		**(184,761)**	(738,657)
Current portion		**1,044,284**	533,444

Notes:

(i) These loans receivables are stated at amortised cost at effective interest rates ranging from 8% to 33% (2018: 8% to 34.8%). The credit terms of these loans receivables range from 3 months to 20 years (2018: 3 months to 20 years).

Included in the above loans and interest receivables are vendor loans to the immediate holding company of the purchaser of joint venture of HK$600,000,000 (2018: HK$600,000,000), which bear interest at 0.7% per annum over 12-month HIBOR and repayable within 1 year.

(ii) These loans receivables are stated at amortised cost at effective interest rates ranging from 5% to 34.8% (2018: 3% to 13.5%). The credit terms of these loans receivables range from 3 months to 38 months (2018: 6 months to 6 years). The carrying amounts of these loans receivable approximate to their fair values.

Included in the above loans and interest receivables are loans and interest receivables from Easy One Financial Group Limited of HK$73,157,000 (2018: HK$102,849,000), which bear interest at 6.5% per annum (2018: 6.5%) and repayable within 1 year (2018: within 1 year).

12. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2019	2018
	HK$'000	*HK$'000*
Within 1 month	**174,534**	245,140
1 to 3 months	**6,547**	5,254
3 to 6 months	**7,608**	1,704
Over 6 months	**6,881**	558
	195,570	252,656

The trade payables are non-interest-bearing and have an average term of 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

13. EVENTS AFTER THE REPORTING PERIOD

(i) On 18 April 2019, the Group entered into a sale and purchase agreement with an independent third party for the disposal of an investment property and a property classified as leasehold land and buildings included in property, plant and equipment at an aggregated consideration of HK$60,500,000. The transaction was completed on 28 June 2019.

(ii) On 18 April 2019, the Group entered into a sale and purchase agreement with an independent third party for the disposal of investment properties in Hong Kong at a total consideration of HK$135,000,000. The transaction is expected to be completed in July 2019. Further details of this disposal are set out in the announcement of the Company dated 18 April 2019.

(iii) On 26 April 2019, the Group entered into a provisional sale and purchase agreement with an independent third party, pursuant to which the Group agreed to acquire certain workshops and car parking spaces in Hong Kong at a total consideration of HK$306,800,000. The transaction is expected to be completed in September 2019. Further details of this acquisition are set out in the announcement of the Company dated 26 April 2019.

(iv) On 29 April 2019, the Group completed the disposal of 50% equity interest in Oriental Sunlight Limited ("**Oriental Sunlight**"), together with its subsidiary, Wellion Limited (collectively the "**Oriental Sunlight Group**") and assigned the benefit of 50% of the shareholder's loan owed by Oriental Sunlight Group to an independent third party for a consideration of HK$60,417,000. As at the end of the reporting period, the Oriental Sunlight Group was engaged in property investment in Hong Kong. Upon completion of the disposal, Oriental Sunlight Group has become a joint venture of the Group. No gain or loss was resulted from the disposal. Further details of this disposal are set out in the announcement of the Company dated 29 April 2019.

(v) On 30 April 2019, the Group entered into a provisional sale and purchase agreement with an independent third party, pursuant to which the Group agreed to acquire 100% equity interest and shareholder's loans in Pearl Limited and its subsidiary, which holds a property of a shopping mall of "The Parkside", at a total consideration of HK$780,000,000. The transaction is expected to be completed in July 2019. Further details of this acquisition are set out in the announcement dated 1 May 2019.

(vi) On 30 April 2019, the Group entered into a provisional sale and purchase agreement with an independent third party to dispose of the entire equity interest in Wang To Investments Limited and the shareholder loan owed to the Group at a consideration of HK$47,000,000. The transaction is expected to be completed in July 2019.

(vii) On 9 May 2019, the Group entered into a provisional sale and purchase agreement with an independent third party to dispose of the entire equity interest in Shiny World Investment Limited and the shareholder loan owed to the Group at a consideration of HK$52,800,000. The transaction is expected to be completed in August 2019.

14. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified and re-presented to conform with the current year's presentation and disclosures.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the financial year ended 31 March 2019, the Group's revenue and profit attributable to owners of the parent amounted to approximately HK$4,009.1 million (2018: HK$2,621.0 million) and HK$419.8 million (2018: HK$1,223.4 million), respectively.

DIVIDENDS

The Board has recommended the payment of a final dividend of HK0.84 cent (2018: HK0.5 cent) per ordinary share for the year ended 31 March 2019 to the shareholders (the "**Shareholders**") whose names appear on the register of members of the Company as of Wednesday, 11 September 2019. The final dividend will be paid on or around Thursday, 26 September 2019, subject to Shareholders' approval at the forthcoming annual general meeting of the Company to be held on Friday, 30 August 2019. Together with the interim dividend of HK0.1 cent (30 September 2017: HK0.1 cent) per ordinary share, the total dividends for the year ended 31 March 2019 will be HK0.94 cent (2018: HK0.6 cent) per ordinary share.

BUSINESS REVIEW

The Group's revenue for the year ended 31 March 2019 increased by 53.0% to HK$4,009.1 million (2018: HK$2,621.0 million). This growth mainly reflected an increase in sales revenue from property segment driven by sales recognition from the completion of The Met. Blossom. Profit for the year was HK$893.4 million (2018: HK$1,766.0 million), representing a decrease of 49.4% over last year, due to the impact of one-time gain of HK$1,714.4 million from disposal of 50% equity interest in Yau Tong residential project ("**NOUVELLE**") in June 2017 and disposal of 60% equity interest in Whitehead residential project ("**Altissimo**") in September 2017. The profit attributable to owners of the parent was HK$419.8 million (2018: HK$1,223.4 million).

The Group continues to maintain a strong financial positioning. As of 31 March 2019, the Group's net assets were HK$8,005.5 million (2018: HK$7,999.4 million). Its cash resources amounted to HK$3,299.7 million (2018: HK$2,990.5 million) including cash and cash equivalents of HK$2,318.2 million (2018: HK$2,664.4 million) and short term investments of HK$981.5 million (2018: HK$326.1 million). In aggregate, the total borrowings as of 31 March 2019 was HK$5,521.8 million (2018: HK$4,675.1 million) giving the Group a net debt position (bank and other loans less cash and cash equivalents) of HK$3,203.6 million (2018: HK$2,010.7 million). The review of the individual business segments of the Group is set out below.

Fresh Markets

The fresh market business segment, which is a consistent source of profit and cash, grew operating profit by 13.2% to HK$27.5 million (2018: HK$24.3 million). Revenue from this segment decreased as expected by 14.9% to HK$188.4 million (2018: HK$221.3 million) as a result of the lease expiries of certain fresh markets during this financial year, namely Kai Tin Estate in Lam Tin, Hang On Estate in Ma On Shan and Po Lam Estate in Tseung Kwan O. However, the decrease was partially offset by a new fresh market located at Ying Tung Estate in Tung Chung which commenced operation in September 2018. Another new fresh market located at Mun Tung Estate in Tung Chung is also in the pipeline for launch in the second half of 2019.

The Group's fresh market business, which has been built over the past two decades, is a high profit margin and cash flow generating business. During the reporting period, the Group managed a substantial portfolio of 700 stalls under the "Allmart" brand of fresh markets in Hong Kong with a total gross floor area ("**GFA**") of over 162,000 square feet. In order to meet rising customer expectation, the Group strives to offer a more comfortable and spacious shopping environment through well-designed layouts, enhancement works and high quality management services. We will continue to strengthen the partnership with our tenants and local communities by launching innovative marketing campaigns and promotion events, and thereby reinforcing shopper relationships.

Along with the existing fresh market business on a stable footing, the Group plan to take steps forward in building a portfolio of self-owned fresh markets in Hong Kong through joint ventures. This property portfolio shall form a core strategic platform to speed the growth of our fresh market business. On 24 January 2019, Wang On Properties Limited ("**WOP**", together with its subsidiaries, collectively the "**WOP Group**") won a bid to acquire a retail podium and car parking spaces at Lake Silver, No. 599 Sai Sha Road, Ma On Shan, Sha Tin, for a consideration of HK$653 million. A joint venture was subsequently formed by divesting 50% of the Group's equity interest in this investment on 29 April 2019. This new property will facilitate our plan to build a modern fresh market for urban living. On 30 April 2019, WOP entered into a provisional agreement for the acquisition of the commercial accommodation and car parking spaces at The Parkside, No. 18 Tong Chun Street, Tseung Kwan O for a consideration of HK$780 million. A joint venture was subsequently formed by divesting 50% of the Group's equity interest in this investment on 21 June 2019. We are confident that the combination of our expertise in property investment and fresh market operation shall deliver strong synergy to create unique business value to fuel further growth of this segment.

In mainland China, the Group operates fresh market business through its joint venture under the "Huimin" brand in various districts of Shenzhen, Guangdong Province. The joint venture currently manages a portfolio of approximately 1,000 stalls with a GFA of over 283,000 square feet, in which approximately 152,000 square feet are owned by the joint venture. Following the issuance of urban redevelopment policy by Shenzhen Government, some of the fresh markets may be affected. The Group will continue to closely monitor the latest development, particularly the impact on the land-use rights of its fresh market properties.

Property Development

WOP, a non-wholly owned subsidiary of the Company, is a premium property development company with focus on Hong Kong residential and commercial market.

Property development segment recorded revenue and segment profit of HK$2,827.0 million and HK$1,067.0 million, respectively (2018: HK$1,333.5 million and HK$339.4 million, respectively). The main contributor to the segment revenue was made by the recognised sales of The Met. Blossom.

The Met. Acappella

The Met. Acappella, situated at Tai Wai, Shatin, is a twin tower development with two wings of 12-and-13 storey residential blocks offering a total of 336 units. It comprises diversified unit layouts including studios, one-bedroom units, one-bedroom (with storeroom or study room) units, that account for over 80% of all units. The project also offers garden duplex units and penthouse units with rooftop terrace. The Met. Acappella is designed to incorporate the natural scenery of the neighbouring areas, enabling residents to enjoy fresh air and breathtaking green views in this bustling city. With the excellent and convenient transport network, The Met. Acappella also allows its residents to indulge in all-round shopping, dining, entertainment and leisure activities, satisfying the needs for quality lifestyle. Pre-sales of the project, which launched in November 2017, had received positive response and marked strong performance. Up to the date of this announcement, 93.5% of the total of 336 units had been sold with an amount of HK$2.3 billion. The project is completed in the first quarter of 2019.

maya by NOUVELLE

"NOUVELLE" is a new luxury residential brand series. The brand's first premium luxury residential project, "maya", is located at No. 8 Shung Shan Street and No. 15 Sze Shan Street, Yau Tong. This residential project, co-developed by WOP and CIFI Holdings (Group) Co. Ltd., will have a total GFA of 272,000 square feet. WOP holds a 50% stake in the project. It comprises two residential towers on a podium with a shopping arcade. It will offer a total of 326 units of different layout designs, including standard two-to-three bedroom units and special units. Presenting a modern and clean outlook, exceptional green landscape and a large clubhouse, the project offers residents a luxurious and cozy living environment. Pre-sale was launched in mid of March 2019 with a strong market response. As of the date of this announcement, 50% of the total of 326 units had been pre-sold with a total pre-sale amount of HK$1.6 billion. The project is scheduled to be completed in 2020.

Altissimo

The residential project, Altissimo, located at Sha Tin Town Lot No. 601, is co-developed by WOP, Country Garden Holdings Company Limited and China State Construction International Holdings Limited. The project features its prime location in front of Starfish Bay, an ecological treasure in the natural reserve area, and with Ma On Shan Country Park at its back. It also enjoys the unparalleled natural advantage with the picturesque view of Pat Sin Leng and within walking distance of the Whitehead Club. The project has a GFA of 388,000 square feet and will provide 547 units. WOP holds a 40% stake in this project. Adding top-class construction materials and delicate designs to its strength, the project will set a new model of new premium residential projects in that area. As at the date of this announcement, 62% of the total of 547 units had been pre-sold with an amount of HK$2.9 billion. The project is scheduled to be completed in 2020.

Pokfulam residential project

In April 2018, the WOP Group completed the acquisition of all of the 16 properties located at 86A–86D Pokfulam Road, Hong Kong. This project is capable of being redeveloped into a low-density premium residential property. On 19 April 2018, the WOP Group disposed of 30% equity interest in a subsidiary holding these properties at a consideration of HK$103.8 million.

Tsing Yi residential project

On 12 April 2019, the WOP Group acquired a site located at the junction of Liu To Road and Hang Mei Street, Tsing Yi at a total consideration of HK$867.3 million through public tender. The site, occupying an area of approximately 14,400 square feet, will be developed into a premium residential project under the exquisite series "The Met.", with a residential and commercial GFA of approximately 90,000 square feet. We are highly confident in the potential of this exclusive project, which is situated in a prestigious locale with stunning sea view.

As at 31 May 2019, the Group had a development land portfolio as follows:

Location	**Approximate site area** *(square feet)*	**Approximate GFA** *(square feet)*	**Intended usage**	**Anticipated year of completion**
The Met. Acappella	71,000	148,000	Residential	2019
maya by NOUVELLE	41,000	272,000	Residential and Commercial	2020
Altissimo	253,000	388,000	Residential	2020
Pokfulam residential project	28,500	28,500	Residential	2021
Tsing Yi residential project	14,400	90,000	Residential and Commercial	2022

Property Investment

As at 31 March 2019, our investment properties comprised of commercial, industrial and residential units located in Hong Kong with a total carrying value of approximately HK$1,515.0 million (31 March 2018: approximately HK$1,951.8 million).

During the reporting period, we received gross rental income of approximately HK$24.3 million (2018: approximately HK$25.8 million), representing a decrease of approximately HK$1.5 million. The decrease in gross rental income was primarily due to the disposal of some rental properties.

During the reporting period, we continued to dispose second-hand residential properties and realised HK$28.4 million (2018: HK$82.3 million). As at 31 March 2019, we still held 17 second-hand residential properties with valuation of HK$94.4 million. As at the date of this announcement, seven out of the aforesaid 17 units have been sold. In April 2019, the WOP Group has signed an agreement to sell a shop premise located in at No. 726 Nathan Road, Kowloon for a consideration of HK$135.0 million payable on completion scheduled in July 2019.

Pharmaceutical and Health Food Products

Wai Yuen Tong Medicine Holdings Limited ("**WYTH**"), a non-wholly owned listed subsidiary of the Company, is a pharmaceutical company with focused on manufacturing and/or retailing of pharmaceutical and health food products.

2019 was a challenging year for our pharmaceutical and health food products segment with revenue totaling HK$733.8 million (2018: HK$826.8 million), representing a drop of 11.2%. The efforts we have made this year to turn around are bearing fruits. Segment losses have been cut by 28.9% and the trend is in a favourable direction.

Chinese pharmaceutical, health food and health care products

Our Chinese pharmaceutical segment, in Hong Kong, holds a portfolio of around 120 health supplements and products with approximately 38% of our sales coming from 5 core products. Hou Tsao Powder and Monkey Bezoar Powder are generic anti-cough and secretory Chinese pharmaceutical products with combined sales accelerated to HK$55.3 million by 8.6% primarily contributed by of both volume and price growth. Stroke prevention supplementation is a fast growth market in Hong Kong in which "Wai Yuen Tong" has 3 series of products to cover the market: namely Angong Niuhuang Wan, Angong Zaizao Wan and Angong Jiangya Wan. Total sales of these series of products have grown more than ninety-fold to HK$29.7 million driven by commercial success on product strategies and promotion activities. Sales of Young Yum Pill, our iconic health supplementation product, also grew 31.5% to HK$41.3 million.

Retail sales in Hong Kong and Macau fell by 4.5% to HK$423.2 million primarily as a result of fierce competition in herbal medicine sales. Nevertheless, our products remain popular with leading market shares driven by effective commercial strategy and heavy up marketing campaigns on brand promotion. Sales from channel operation recorded a decline of 24.7% to HK$201.6 million (2018: HK$267.9 million) due to tightening of credit terms to trade customers. While revenue growth is one of our key financial targets, tying up excessive cash in working capital (due to credits given to trade customers) is not an ideal way to achieve the target. We have been moving forward to secure trade customers portfolio that meet our key selection criteria of financial condition and sales abilities.

"Wai Yuen Tong" brand is a reputable household name established over a century ago. We will continue to promote our brand value to maintain a leading market position in Chinese pharmaceutical and health food product markets.

In April 2017, the Chinese pharmaceutical business transferred the majority of production to the new GMP certified factory located in Yuen Long. Since then, the management has been facing challenges in ramping up the manufacturing and warehouse facilities to full operational status. These involved additional spending to meet evolving production and quality assurance requirements. In view of pressure due to rising costs, the management has stepped up its efforts in managing production cost and optimising product formula with an aim to improve profit margins. In the long run, the new facility is expected to improve productivity, and position the business well for sustainable growth.

Western pharmaceutical

Our western pharmaceutical business has been navigating a complex transition in business strategy. As a result, sales fell 14.7% to HK$116.0 million with gross profit dropped 20.4% to HK$39.8 million. "Pearl's" and "Madame Pearl's" brand, a series of mosquito repellents products and over-the-counter medicines, remains popular and their distribution stores channels are well established. The business in mainland China, however, is suffering from a decline and has experienced challenges in developing new distribution channels. It is necessary that we have to take a transformation to adapt the challenging market environment. We are exploring the possibility to shift from gross sales business model to a fee-for-licensing business model in mainland China. Under this business model, the sales revenue from western pharmaceutical business will be reduced but there is no adverse impact on profit given the license fees to be received. Another option is to setup or acquire a GSP-certified vehicle to sell our products directly to distributors that on-sell them to retail outlets. We will continue to put back capital for business with low profit margin and no strategic value.

With core strategic focus on sales channel expansion and gaining market share in Hong Kong and potential new business model in mainland China, we believe that the contribution from the "Pearls" and "Madame Pearl's brand products will turn around and resume growth. Our intention is to further drive a stronger network and channel for the business growth for this segment.

Treasury Management

The Group maintains a robust financial position. Liquid investment amounted to HK$1,725.9 million at 31 March 2019, an increase of 5.5% from the balance of HK$1,635.9 million at 31 March 2018, mainly reflecting the cash arising from funds from operations and disposal of certain properties and subsidiaries. The liquid investments represented 87.9% of the debt securities, 8.8% of equity securities and 3.3% of fund investment.

This business segment contributed HK$235.5 million (2018: HK$213.5 million) to the revenue. Among other things, interest income from China Agri-Products Exchange Limited ("**CAP**") is HK$99.8 million. In October 2014, the Group agreed to subscribe five-year 10.0% coupon interest bonds issued by CAP (collectively the "**CAP Bonds**"). As at 31 March 2019, the fair value and principal amount of the CAP Bonds held by the Group amounted to approximately HK$785.0 million and HK$800 million (2018: approximately HK$1,038.0 million and HK$1,050.0 million), respectively.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2019, the equity attributable to owners of the parent increased by 1.6% to HK$5,891.0 million (2018: HK$5,799.5 million). The Group's total equity, including the non-controlling interests, increased to HK$8,005.5 million (2018: HK$7,999.4 million) as at 31 March 2019.

As at 31 March 2019, the Group's total assets were HK$16,417.9 million (2018: HK$15,916.5 million). Total cash and cash equivalent held amounted to HK$2,318.2 million (2018: HK$2,664.4 million) as at 31 March 2019. The Group also maintained a portfolio of liquid investments with an aggregate market value of HK$1,725.9 million (2018: HK$1,635.9 million) as at 31 March 2019, which is immediately available for use when in need.

The Group operates a central cash management system for unlisted subsidiaries. As at 31 March 2019, the Group's total debt amounted to HK$5,521.8 million (2018: HK$4,675.1 million). Excluding the total debt of WOP and WYTH, the Company's own debt amounted to HK$631.5 million (2018: HK$657.3 million) as at 31 March 2019. The Group's net debt to equity was approximately 40.0% (2018: 25.1%) as at 31 March 2019. An analysis of the net debt is shown below:

Net debt	**2019** ***HK$'000***	2018 *HK$'000*
The Company	**363,415**	(28,957)
WOP	**2,159,105**	1,533,522
WYTH	**681,018**	506,168
Total	**3,203,538**	2,010,733

As at 31 March 2019, the Group's land and buildings, investment properties (including the investment properties included in assets held for sale), properties under development, properties held for sale, available-for-sales investments, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss with carrying value of HK$471.1 million, HK$1,345.5 million, HK$3,216.4 million, HK$688.2 million, nil, HK$575.5 million and HK$77.5 million (2018: HK$483.2 million, HK$1,868.8 million, HK$1,168.3 million, HK$576.5 million, HK$239.6 million, nil and HK$96.6 million) were pledged to secure the Group's general banking facilities.

The Group's capital commitment as at 31 March 2019 amounted to HK$956.9 million (2018: HK$1,567.0 million) is mainly for property development business. The Group has given guarantee to a bank in connection with a facility granted to the joint venture of the Group up to HK$2,440.4 million and the banking facility guarantee by the Group was utilised to the extent of HK$1,297.5 million as at the end of the reporting period. An analysis is shown below:

	General banking facilities *HK$'000*	**Total bank borrowings** *HK$'000*
The Company	913,051	631,525
WOP	5,540,060	3,850,440
WYTH	1,634,750	852,227
Total	8,087,861	5,334,192

The Group strengthens and improves its financial risk control on a continual basis and has consistently adopted a prudent approach in financial management. Financial resources are under close monitor to ensure the Group's efficient and effective operation, as well as flexibility to respond to opportunities and uncertainties. The management of the Group is of the opinion that the Group's existing financial structure is healthy and related resources are sufficient to cater for the Group's operation needs in the foreseeable future.

DEBT PROFILE AND FINANCIAL PLANNING

As at 31 March 2019, interest-bearing debt profile of the Group was analysed as follows:

	2019	2018
	HK$'000	*HK$'000*
Bank loans repayable:		
Within one year or on demand	**2,124,044**	1,470,021
In the second year	**1,245,360**	1,332,427
In the third to fifth years, inclusive	**1,554,053**	1,392,024
Beyond five years	**410,735**	467,228
	5,334,192	4,661,770
Other loans repayable		
Within one year or on demand	**–**	13,397
In the third to fifth years, inclusive	**187,570**	–
	5,521,762	4,675,097

In order to meet the interest-bearing debts, business capital expenditure and funding needs for, *inter alia*, replenishment of the Group's land bank, enhancing our portfolio of properties for investment and/or payment of construction costs for the development of the property development projects, the Group had been from time to time considering various financing alternatives including but not limited to equity fund raising, financial institution borrowings, non-financial institution borrowings, bonds issuance, convertible notes, other debt financial instruments, and disposal of properties.

SIGNIFICANT INVESTMENTS HELD

As at 31 March 2019, the Group held financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss of approximately HK$1,573.7 million and HK$152.2 million, respectively:

	As at 31 March 2019		For the year ended 31 March 2019			Fair value/carrying amount		
Nature of investments	Amount held	Percentage to the Group's net assets	Fair value gain/(loss)	Bond interest income	Dividends received	As at 31 March 2019	As at 1 April 2018	Investment cost
	HK$'000	*%*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Financial assets at fair value through other comprehensive income:								
A. Equity investment	107,321	1	(85,826)	—	1,841	107,321	187,493	120,488
B. Debt investments								
CAP — 10% 5-year Bonds	785,002	10	(5,778)	99,789	—	785,002	1,038,087	800,000
Others	681,338	8	6,183	39,624	—	681,338	255,627	665,759
	1,573,661	19	(85,421)	139,413	1,841	1,573,661	1,481,207	1,586,247
Financial assets at fair value through profit or loss:								
A. Equity investments	47,225	1	1,776	—	904	47,225	81,304	40,000
B. Funds	50,595	1	(773)	—	—	50,595	59,969	59,555
C. Debt investments	48,192	1	2,675	1,868	—	48,192	5,733	47,235
D. Others	6,184	0	(1,477)	—	—	6,184	7,661	9,941
Subtotal	152,196	3	2,201	1,868	904	152,196	154,667	156,731
Total	1,725,857	22	(83,220)	141,281	2,745	1,725,857	1,635,874	1,742,978

The principal activities of the securities are as follows:

1. CAP is principally engaged in the business of management and sales of properties in agricultural produce exchange markets in the People's Republic of China.

2. Save as disclosed above, the Group also invested in other shares listed in Hong Kong. The fair value of each of these shares represented less than 1.00% of the net assets of the Group as at 31 March 2019.

3. Save as disclosed above, the Group also invested in other funds, the fair value of each of these funds represented less than 1.00% of the net assets of the Group as at 31 March 2019.

FOREIGN EXCHANGE

The management of the Group is of the opinion that the Group has no material foreign exchange exposure and therefore, the Group does not engage in any hedging activities. As at 31 March 2019, the Group held limited amount of foreign currency deposits, while all bank borrowings are denominated in Hong Kong dollars. The revenue of the Group, also being mostly denominated in Renminbi and Hong Kong dollar, matches the currency requirements of the Group's operating expenses.

PROSPECTS

We believe 2019/20 will be a good year across each of our business segments, despite the uncertainty over the trade dispute that has been clouding global economic prospects and heightening financial market volatility.

With the formation of Guangdong-Hong Kong-Macao Greater Bay Area which accommodates 68 million people with a total GDP of HK$10.9 trillion, it marks a new era of economic cooperation of the region. The quicken pace of pushing forward a common market with free flows of human and capital resources, goods and services and information in Greater Bay Area should further boost Hong Kong's growth prospects.

On property development and investment front, we remain positive about the Hong Kong residential property market in the coming few years and will continue to take full advantage of the prosperous property market. The Group will continue exploring opportunities in property acquisition and further enhance its operational efficiency and effectiveness to strengthen the real estate business.

Our fresh market segment maintains its growing momentum, and we are confident that it will continue to provide stable recurring income and cash flow to the Group. We expect to further expand our fresh market portfolio by collaboration with landlords from both public sectors and private investors. We will continue to work with our partners to identify opportunities for acquiring fresh markets to strengthen our recurring income.

During the period from April 2018 to March 2019, Hong Kong market retail sales of Chinese drugs and herbs drugs grew by 3% to HK$6,064 million making it one of the major types of retail industry in Hong Kong with a 17% market share. With the Hong Kong government actively promoting traditional Chinese Medicine in local market and co-operation with cities in Greater Bay Area, it is believed that the market for Chinese pharmaceutical products and supplementation manufactured in Hong Kong is set to expand rapidly over the coming decade, spurred by the trend of preferential policies from Chinese government. We believe our sales will be ahead of 2020 levels as a result of effective promotion activities and sales channel development. A number of our newly launched products have quickly gained leading market share and are still growing in a fast pace. We will continue to push sales growth through effective marketing strategy and apply the selling expense wisely with highlighting on giving customers more direct benefits. We will continue to utilise our manufacturing and logistic support capabilities to protect our margins.

The overall strong financial position of the Group enables us to have a high degree of flexibility and agility for our treasury management segment. We will continue our proactive and prudent investment approach to drive business growth on all business segments.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2019, the Group had 920 (2018: 943) employees, of whom approximately 84% (2018: 81%) were located in Hong Kong and the rest were located in mainland China. The Group remunerates its employees mainly based on industry practices and individual performance and experience. On top of the regular remuneration, discretionary bonus and share options may be granted to selected staff by reference to the Group's as well as the individual's performances. The Group also provides a defined contribution to the Mandatory Provident Fund as required under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all eligible employees in Hong Kong and had launched a defined scheme of remuneration and promotion review to accommodate the above purpose and review is normally carried out annually. Other forms of benefits such as medical and retirement benefits and structured training programs are also provided.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group has reviewed the principal risks and uncertainties which may affect its businesses, financial condition, operations and prospects based on its risk management system and considered that the major risks and uncertainties that may affect the Group included (i) Hong Kong economic conditions which may directly affect the property market; (ii) availability of suitable land bank for future development; (iii) the continuous escalation of construction cost in Hong Kong in recent years; (iv) business cycle for property under development may be influenced by a number of factors and the Group's revenue will be directly affected by the mix of properties available for sale and delivery; (v) all construction works were outsourced to independent third parties and they may fail to provide satisfactory services adhering to our quality and safety standards or within the timeline required by the Group; (vi) fluctuations of fair value gain or loss incurred on financial assets and investment properties; (vii) credit risk and recoverability of provision of loans which may incur bad debts during the downturn of economy; (viii) loss of management contracts for fresh markets which may arise in light of severe competition with existing market players and entry of new participants into the market; (ix) industrial policy risk and supply chain disruption for pharmaceutical business; and (x) internet risk.

In response to the abovementioned possible risks, the Group has a series of internal control and risk management policies to cope with the possible risks and has serious scrutiny over the selection of quality customers and suppliers. The Group has formed various committees to develop and review strategies, policies and guidelines on risk control; which enable the Group to monitor and response to risk effectively and promptly. The Group also actively proposes solutions to lower the impact of the possible risks on the businesses of the Group.

CORPORATE SOCIAL RESPONSIBILITY

While the Group endeavours to promote business development and strive for greater rewards for our stakeholders, we acknowledge our corporate social responsibility to share some burden in building the society where our business has been established and thrived. During the past years, the Group made charity donations to organisations, including various non-government and non-profit making organisations. The Group will continue to devote further resources and effort towards achieving the goal of a socially responsible business.

ENVIRONMENTAL MATTERS

The Group had taken measures to promote environmental-friendliness of the workplace by encouraging paper-recycling culture and energy-saving culture within the Group. The Group also participated in the BEAM Plus assessment scheme, a comprehensive environmental assessment scheme for buildings recognised by the Hong Kong Green Building Council, for the development of some of our properties, including "The Met. Acappella" by engaging a third-party consultant for the provision of services in respect of BEAM Plus Certification and other environmental assessments. The Group also outsourced all of the construction-related work for our property development projects to independent construction companies which are subject to various environmental laws and regulations.

RELATIONSHIP WITH CUSTOMERS AND SUPPLIERS

The Group recognised enhancing and maintaining good relationships with suppliers and customers are essential for the Group's overall growth and development. The Group placed specific caution on selection of quality suppliers and customers and encourages fair and open competition to foster long-term relationships with quality suppliers on the basis of mutual trust. The Group has kept good communications and shared business updates with them when appropriate.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year, the Company repurchased a total of 1,061 million shares of HK$0.01 each of the Company on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). All the repurchased shares were subsequently cancelled by the Company.

Details of the share repurchases during the year are as follows:

Month	Number of shares repurchased	Purchase price per share		Aggregate amount
		Highest	Lowest	
		HK$	*HK$*	*HK$*
	(in million)			*(in million)*
December 2018	608.0[(1)]	0.097	0.087	56.5
January 2019	453.0[(2)]	0.102	0.093	43.4
	1,061.0			99.9

Notes:

(1) 293.0 million shares and 315.0 million shares out of 608.0 million shares were cancelled on 27 December 2018 and 8 January 2019, respectively.

(2) 453.0 million shares were cancelled on 28 January 2019.

The repurchases of the Company's shares by the Directors during the year were made pursuant to the mandate granted by the Shareholders at the 2018 annual general meeting of the Company held on 29 August 2018, with a view to benefiting the Shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company. As at 31 March 2019 and up to the date of this announcement, the total number of shares of the Company in issue was 17,867,520,047 shares.

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with a strong emphasis on transparency, accountability, integrity and independence and enhancing the Company's competitiveness and operating efficiency, to ensure its sustainable development and to generate greater returns for the Shareholders.

The Board has reviewed the corporate governance practices of the Company and is satisfied that the Company had applied the principles and complied with the code provisions set out in the Corporate Governance Code (the "**CG Code**") as contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") throughout the financial year ended 31 March 2019, except for the following deviation:

In accordance with Rules 3.21 and 3.25 of the Listing Rules, a listed issue must establish an audit committee comprising a minimum of three members and the remuneration committee of a listed issued must comprise a majority of independent non-executive directors, and the code provision A.5.1 of the CG Code provides that the nomination committee should comprise a majority of independent non-executive directors. Immediately after the resignation of Mr. Siu Yim Kwan, Sidney on 7 March 2019, the audit committee of the Company (the "**Audit Committee**") had only two members and the remuneration committee (the "**Remuneration Committee**") and the nomination committee (the "**Nomination Committee**") of the Company did not comprise majority of independent non-executive Directors. On 27 March 2019, the Company took prompt action to meet the requirements under Rules 3.21 and 3.25 of the Listing Rules by appointing Dr. Lee Peng Fei, Allen as a member of the Audit Committee and accepting the resignation of Mr. Chan Chun Hong, Thomas as a member of the Remuneration Committee.

The Company does not propose to comply with code provision A.5.1 of the CG Code for all existing members of the Nomination Committee have extensive experience in different professional aspects in the industry of the Group. Coupled with their experience, it can exercise synergy effect to make a right recommendation and nominate right candidate to the right positions to lead to the success of the Group. However, the Company will continue to review and monitor such deviation to enhance the Company's competitiveness the maximise the benefit of the stakeholders of the Company.

Further details of the Company's corporate governance practices will be set out in the corporate governance report to be contained in the Company's 2019 Annual Report.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its code of conduct regarding the securities transactions by the Directors on terms no less exacting than the required standard set forth in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules. Having made specific enquiries of all Directors, the Company confirmed that all Directors had complied with the required standard set out in the Model Code throughout the financial year under review and up to the date hereof and no incident of non-compliance by the Directors was noted by the Company during the year.

AUDIT COMMITTEE

The Company has established the Audit Committee with specific written terms of reference (as amended from time to time) in accordance with the requirements of the Listing Rules. During the year, the Audit Committee met twice with the management and the external auditor to review and consider, among other things, the accounting principles and practices adopted by the Group, the financial report matters including the interim and final results, the statutory compliance, internal controls and risk management and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

Immediately after the resignation of Mr. Siu Yim Kwan, Sidney as an independent non-executive Director and cessation to act as a member of the Audit Committee on 7 March 2019, Dr. Lee Peng Fei, Allen was appointed as a member of the Audit Committee on 27 March 2019. As at the date of this announcement, the Audit Committee, comprises three independent non-executive Directors, namely Mr. Siu Kam Chau, Dr. Lee Peng Fei, Allen and Mr. Wong Chun, Justein, and Mr. Siu Kam Chau was elected as the chairman of the Audit Committee.

The Audit Committee has reviewed with the Company's management and approved the accounting policies and principals adopted and the Group's consolidated financial statements for the year ended 31 March 2019.

SCOPE OF WORK OF ERNST & YOUNG

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 March 2019 as set out in this announcement have been agreed by the Company's independent auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young 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 *Hong Kong Institute of Certified Public Accountants* and consequently no assurance has been expressed by Ernst & Young on this announcement.

CLOSURE OF REGISTER OF MEMBERS

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

(a) *for determining eligibility to attend and vote at the 2019 annual general meeting (the* ***"2019 AGM"****):*

Latest time to lodge transfer documents for registration:	4:30 p.m., Friday, 23 August 2019
Closure of register of members:	Monday, 26 August 2019 to Friday, 30 August 2019 (both days inclusive)
Record Date:	Friday, 30 August 2019

(b) *for determining entitlement to the proposed final dividend:*

Latest time to lodge transfer documents for registration:	4:30 p.m., Thursday, 5 September 2019
Closure of register of members:	Friday, 6 September 2019 to Wednesday, 11 September 2019 (both days inclusive)
Record Date:	Wednesday, 11 September 2019

In order to be eligible to attend and vote at the 2019 AGM and to qualify for the proposed final dividend, all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than the respective latest dates and time set out above.

ANNUAL GENERAL MEETING

The 2019 AGM of the Shareholders will be held at Garden Room A–D, 2/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong, on Friday, 30 August 2019 at 12:30 p.m. and the notice convening such meeting will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

PUBLICATION OF FINAL RESULTS AND DESPATCH OF ANNUAL REPORT

This final results announcement is published on the websites of HKEXnews (www.hkexnews.hk) and the Company (www.wangon.com). The 2019 annual report of the Company containing all the information required by the Listing Rules will be despatched to the Shareholders and available on the above websites in due course.

By Order of the Board
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Tang Ching Ho
Chairman

Hong Kong, 28 June 2019

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Mr. Chan Chun Hong, Thomas, and three independent non-executive Directors, namely Dr. Lee Peng Fei, Allen, Mr. Wong Chun, Justein and Mr. Siu Kam Chau.

* *For identification purpose only*