

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Tai Cheung Holdings Limited

(INCORPORATED IN BERMUDA WITH LIMITED LIABILITY)

(Stock Code: 88)

FINAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2019

RESULTS

I am pleased to report that the audited group profit attributable to the equity holders of the company for the year ended 31st March 2019 amounted to HK\$231.6 million (2018: HK\$354.7 million). The decrease in profit was mainly due to declined property sales.

DIVIDEND

An interim dividend of HK12 cents per share was paid on 3rd January 2019. The board has recommended the payment of a final dividend of HK23 cents per share to the shareholders on the register of members of the company on 9th September 2019. Subject to the approval of shareholders at the forthcoming Annual General Meeting, the final dividend will be payable on 18th September 2019 and the total dividend for the year will be HK35 cents per share.

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March 2019

	Note	2019 HK\$ Million	2018 HK\$ Million
Revenue	3	368.4	1,103.6
Cost of sales		<u>(306.5)</u>	<u>(871.1)</u>
Gross profit		61.9	232.5
Other income and gains/(losses), net		72.1	46.8
Administrative expenses		(57.2)	(58.1)
Gain on disposal of associates		<u>–</u>	<u>20.4</u>
Operating profit	4	76.8	241.6
Share of results of associates, net of tax		<u>158.0</u>	<u>144.7</u>
Profit before income tax		234.8	386.3
Income tax expense	5	<u>(3.2)</u>	<u>(31.6)</u>
Profit attributable to equity holders of the company		<u>231.6</u>	<u>354.7</u>
Dividends	6	<u>216.1</u>	<u>216.1</u>
Earnings per share (basic and diluted)	7	<u>\$0.38</u>	<u>\$0.57</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March 2019

	2019 HK\$ Million	2018 HK\$ Million
Profit for the year	231.6	354.7
Other comprehensive income:		
<i>Item that will not be reclassified subsequently to profit or loss:</i>		
Share of other comprehensive (loss)/income of an associate	(4.4)	3.5
<i>Items that have been reclassified or may be reclassified subsequently to profit or loss:</i>		
Change in fair value on available-for-sale financial assets	–	(23.8)
Exchange differences	0.1	1.3
	(4.3)	(19.0)
Total comprehensive income for the year and attributable to equity holders of the company	227.3	335.7

CONSOLIDATED BALANCE SHEET*As at 31st March 2019*

	Note	2019 HK\$ Million	2018 HK\$ Million
Non-current assets			
Property, plant and equipment		11.1	11.9
Associates		137.2	114.6
Amount due from an associate		24.6	–
Available-for-sale financial assets		–	49.9
Deferred income tax assets		41.0	40.0
Mortgage loans receivable		0.2	0.2
		<u>214.1</u>	<u>216.6</u>
Current assets			
Properties for sale		3,250.0	3,242.6
Properties under development		288.5	410.8
Debtors and other receivables	8	14.6	650.2
Financial assets at fair value through profit or loss		41.8	–
Amount due from an associate		–	24.6
Bank balances and cash		3,817.9	3,275.1
		<u>7,412.8</u>	<u>7,603.3</u>
Current liabilities			
Creditors and other payables	9	242.6	419.0
Borrowings		289.9	–
Current income tax liabilities		4.3	63.3
		<u>536.8</u>	<u>482.3</u>
Net current assets		<u>6,876.0</u>	<u>7,121.0</u>
Total assets less current liabilities		<u>7,090.1</u>	<u>7,337.6</u>
Non-current liabilities			
Borrowings		–	229.8
Deferred income tax liabilities		3.5	32.4
		<u>3.5</u>	<u>262.2</u>
Net assets		<u>7,086.6</u>	<u>7,075.4</u>
Equity			
Share capital		61.7	61.7
Reserves		6,882.9	6,871.7
Proposed final dividend		142.0	142.0
Total equity		<u>7,086.6</u>	<u>7,075.4</u>

Notes:

1. Basis of preparation and accounting policies

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, which are carried at fair value.

(b) New standards, amendments to existing standards, interpretation and improvement effective in 2018/19 and adopted by the group

During the year, the group adopted the following new standards, amendments to existing standards, interpretation and improvement which are effective in 2018/19:

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

The impact of the adoption of HKFRS 9 and HKFRS 15 are disclosed in note 2 below.

The adoption of other new standards, amendments to existing standards, interpretation and improvement does not have any significant change to the accounting policies or any significant effect on the results and financial position of the group.

2. Changes in accounting policies

The group adopted HKFRS 9 and HKFRS 15 using the modified retrospective approach where the cumulative impact from adoption is recognised in the opening balance of retained profits as at 1st April 2018 and comparative figures had not been restated. The new accounting policies are set out below and the adjustments to the consolidated financial statements are set out in note 2(c).

(a) HKFRS 9 – Financial instruments

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

2. Changes in accounting policies (Continued)

(a) HKFRS 9 – Financial instruments (Continued)

Accounting policies applied from 1st April 2018:

Financial assets

Classification

From 1st April 2018, the group classifies its financial assets either those to be measured subsequently at fair value (either through other comprehensive income (“OCI”), or through profit or loss), or those to be measured at amortised cost. The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

(b) HKFRS 15 – Revenue from contracts with customers

HKFRS 15 replaces HKAS 18 “Revenue” which covers contracts for goods and services and HKAS 11 “Construction Contracts” which covers construction contracts. HKFRS 15 is based on the principle that revenue is recognised when control of goods or services transfer to a customer.

In prior reporting periods, the group recognised revenue from sale of properties when significant risks and rewards of ownership of properties have been transferred to the customers.

Accounting policy for property development activities applied from 1st April 2018:

- Revenue from pre-sale of properties under development is recognised when or as the control of the asset is transferred to the customer. It is recognised at a point in time when the customer obtains control and legal title of the completed property.
- The revenue from sale of completed properties is recognised when the underlying property is legally transferred to the customer under the control transfer model.
- The group currently offers different payment schemes to customers, the transaction price and the amount of revenue for the sale of properties would be adjusted when significant financial component exists in that contract.
- Certain costs incurred for obtaining a pre-sale property contract are capitalised as contract acquisition cost and subsequently amortised when the related revenue is recognised.

2. Changes in accounting policies (Continued)

(c) Impact on the consolidated financial statements

The group has applied HKFRS 9 and HKFRS 15 retrospectively from 1st April 2018. As permitted by the respective transitional provisions of these accounting standards, comparative figures were not restated. The reclassifications and adjustments were recognised in the opening consolidated balance sheet on 1st April 2018. The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

Consolidated balance sheet (extract)	As at 31st March 2018 as previously stated HK\$Million	Effect of the adoption of HKFRS 9 HK\$Million	As at 1st April 2018 restated HK\$Million
Non-current assets			
Available-for-sale financial assets	49.9	(49.9)	–
Current assets			
Financial assets at fair value through profit or loss	–	49.9	49.9
Equity			
Revaluation reserve	24.3	(24.3)	–
Retained profits	<u>6,637.0</u>	<u>24.3</u>	<u>6,661.3</u>

Upon adoption of HKFRS 9, available-for-sale financial assets with carrying amount of HK\$49.9 million did not meet the criteria to be classified as financial assets at fair value through other comprehensive income and were reclassified to financial assets at fair value through profit or loss on 1st April 2018. The corresponding accumulated fair value gains of HK\$24.3 million were transferred from revaluation reserve to retained profits on 1st April 2018. Subsequent fair value changes will be recognised in the profit or loss. For the year ended 31st March 2019, fair value loss of HK\$6.2 million was recognised in the consolidated income statement.

The adoption of the new impairment model as at 1st April 2018 has not resulted in material impact on the carrying amount of the group's financial assets nor on the consolidated income statement for the year ended 31st March 2019.

The adoption of HKFRS 15 has no impact to the opening consolidated balance sheet on 1st April 2018, the consolidated balance sheet as at 31st March 2019, nor the consolidated income statement for the year ended 31st March 2019.

3. Revenue and segment information

The group is principally engaged in property investment and development, investment holding and property management.

Segment information is presented on the same basis as that used by the directors to assess the performance of each reporting segment.

(a) *Revenue and profit attributable to equity holders of the company*

For the year ended 31st March 2019

	Property development and leasing <i>HK\$ Million</i>	Property management <i>HK\$ Million</i>	Hotel operation <i>HK\$ Million</i>	Investment holding <i>HK\$ Million</i>	Total <i>HK\$ Million</i>
Revenue					
– recognised at a point in time	356.7	–	–	–	356.7
– recognised over time	–	11.4	–	–	11.4
Revenue from other sources					
– rental income	0.3	–	–	–	0.3
	<u>357.0</u>	<u>11.4</u>	<u>–</u>	<u>–</u>	<u>368.4</u>
Segment result and operating profit	<u>10.4</u>	<u>2.7</u>	<u>–</u>	<u>63.7</u>	76.8
Share of results of associates, net of tax	–	–	158.0	–	<u>158.0</u>
Profit before income tax					234.8
Income tax expense	(2.8)	(0.4)	–	–	<u>(3.2)</u>
Profit attributable to equity holders of the company					<u>231.6</u>

(a) Revenue and profit attributable to equity holders of the company (Continued)

For the year ended 31st March 2018

	Property development and leasing <i>HK\$ Million</i>	Property management <i>HK\$ Million</i>	Hotel operation <i>HK\$ Million</i>	Investment holding <i>HK\$ Million</i>	Total <i>HK\$ Million</i>
Revenue	<u>1,089.9</u>	<u>13.7</u>	<u>–</u>	<u>–</u>	<u>1,103.6</u>
Segment results	178.5	3.6	–	39.1	221.2
Gain on disposal of associates	<u>20.4</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>20.4</u>
Operating profit	<u>198.9</u>	<u>3.6</u>	<u>–</u>	<u>39.1</u>	241.6
Share of results of associates, net of tax	1.9	–	142.8	–	<u>144.7</u>
Profit before income tax					386.3
Income tax expense	(31.0)	(0.6)	–	–	<u>(31.6)</u>
Profit attributable to equity holders of the company					<u>354.7</u>

(b) *Total assets and liabilities*

As at 31st March 2019

	Property development and leasing <i>HK\$ Million</i>	Property management <i>HK\$ Million</i>	Hotel operation <i>HK\$ Million</i>	Investment holding <i>HK\$ Million</i>	Total <i>HK\$ Million</i>
Segment assets	3,602.3	66.1	–	3,796.7	7,465.1
Associates	–	–	161.8	–	161.8
Total assets					7,626.9
Segment liabilities	464.4	65.5	–	10.4	540.3
Net assets					<u>7,086.6</u>

As at 31st March 2018

	Property development and leasing <i>HK\$ Million</i>	Property management <i>HK\$ Million</i>	Hotel operation <i>HK\$ Million</i>	Investment holding <i>HK\$ Million</i>	Total <i>HK\$ Million</i>
Segment assets	4,352.3	80.7	–	3,247.7	7,680.7
Associates	–	–	139.2	–	139.2
Total assets					7,819.9
Segment liabilities	654.0	80.5	–	10.0	744.5
Net assets					<u>7,075.4</u>

4. Operating profit

	2019 <i>HK\$ Million</i>	2018 <i>HK\$ Million</i>
--	------------------------------------	------------------------------------

Operating profit is stated after charging the following:

Cost of property sales	287.6	832.1
Depreciation	0.9	1.1
	<u>288.5</u>	<u>833.2</u>

5. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits for the year.

	2019 <i>HK\$ Million</i>	2018 <i>HK\$ Million</i>
Current income tax		
Hong Kong profits tax	33.1	115.2
Deferred income tax	(29.9)	(83.6)
	<u>3.2</u>	<u>31.6</u>

6. Dividends

	2019 <i>HK\$ Million</i>	2018 <i>HK\$ Million</i>
Interim, paid, of HK12 cents (2018: HK12 cents) per ordinary share	74.1	74.1
Final, proposed, of HK23 cents (2018: HK23 cents) per ordinary share	142.0	142.0
	<u>216.1</u>	<u>216.1</u>

7. Earnings per share

The calculation of earnings per share is based on the profit attributable to equity holders of the company of HK\$231.6 million (2018: HK\$354.7 million) and ordinary shares in issue of 617,531,425 (2018: 617,531,425). There were no potential dilutive ordinary shares outstanding during the year (2018: Nil).

8. Debtors and other receivables

	2019 <i>HK\$ Million</i>	2018 <i>HK\$ Million</i>
Trade debtors, aged 0-3 months	–	639.5
Other receivables, deposits and prepayments	14.6	10.7
	<u>14.6</u>	<u>650.2</u>

Debtors, other receivables, deposits and prepayments are mainly denominated in Hong Kong dollars.

Credit terms given to customers vary and generally range from 3 to 6 months.

As at 31st March 2018, trade debtors of HK\$639.5 million were fully performing.

As at 31st March 2018, no trade debtor was impaired.

9. Creditors and other payables

	2019 <i>HK\$ Million</i>	2018 <i>HK\$ Million</i>
Creditors, aged 0-3 months	3.7	15.4
Other payables, deposits and accruals	238.9	403.6
	<u>242.6</u>	<u>419.0</u>

The creditors, other payables, deposits and accruals are mainly denominated in Hong Kong dollars.

BUSINESS REVIEW

Property Development

Certificate of compliance has been issued for our Repulse Bay project. The project was named “Pulsa”. Preparation works for sales launch have begun. This super luxurious residential development enjoys stunning sea views over the Repulse Bay, complemented by lush greenery to provide a tranquil and aesthetic environment. It consists of eight houses with clubhouse facilities, offering a blend of superior quality and relaxing lifestyle. With its exquisite and outstanding exterior design, the luxury accommodation becomes a new landmark in the vicinity.

During the year, sales of the remaining units at Metropole Square proceeded well and recorded solid performance. Nearly all the units have been sold as at 31st March 2019.

French Valley Airport Center, an industrial and commercial project in California, is being developed in phases. Advantageously located adjacent to French Valley Airport, the development will be a well-designed business center comprising single-storey buildings with ancillary facilities. Upon full completion, this modern architecture will offer brand new, high-quality and energy efficient construction convenient to business owners and customers alike. Phase I and II of the project were completed in the first quarter of 2019 and sales have been launched. Superstructural work of the remaining phases are progressing well and expected to be completed from the second half of 2020 onwards.

Hotel

Sheraton-Hong Kong Hotel, in which the group has 35% interest, continued to uphold its position among the most prestigious 5-star hotels in Hong Kong. Sustained growth in inbound tourism with a visible increase in Mainland visitor arrivals helped boost demand for hotels in Hong Kong. During the year, the hotel delivered encouraging performance, evidenced by its high occupancy and improved room rates. Rental of the whole hotel shopping mall, which is being leased by Sogo, continued to secure solid income for the hotel.

With the opening of Guangzhou-Shenzhen-Hong Kong high speed railway and Hong Kong-Zhuhai-Macau Bridge, we are expecting the continuous gradual increase of visitors' arrivals. The long-term prospects of the local hotel industry remain favourable.

ASSETS VALUE

The group has equity accounted for its interest in Sheraton-Hong Kong Hotel, which has adopted the cost model for its hotel land and buildings which are stated at cost less accumulated depreciation, in accordance with the current accounting standards.

In order to fully reflect the underlying economic value of the group's hotel properties, the group considers it appropriate also to present to shareholders, as set out below, supplementary information on the group's statement of net assets on the basis that the group were to state these hotel properties at their open market valuations as at 31st March 2019.

	2019 (Unaudited) <i>HK\$ Million</i>	2018 (Unaudited) <i>HK\$ Million</i>
Non-current assets, including interest in associates	214.1	216.6
Add: Attributable revaluation surplus relating to hotel properties ⁽¹⁾	<u>3,478.6</u>	<u>3,253.5</u>
	----- 3,692.7	----- 3,470.1
Current assets	7,412.8	7,603.3
Current liabilities	<u>(536.8)</u>	<u>(482.3)</u>
Net current assets	----- <u>6,876.0</u>	----- <u>7,121.0</u>
Total assets less current liabilities	10,568.7	10,591.1
Non-current liabilities	<u>(3.5)</u>	<u>(262.2)</u>
Net assets as if the hotel properties were stated at open market value	<u>10,565.2</u>	<u>10,328.9</u>
Net assets per ordinary share as if the hotel properties were stated at open market value	<u>\$17.11</u>	<u>\$16.73</u>

⁽¹⁾ Based on open market valuations as at 31st March 2019 and 2018 respectively, carried out by Cushman & Wakefield Limited, an independent firm of professional valuers.

LIQUIDITY AND FINANCIAL RESOURCES

The group's funding requirements are met with cash on hand, internally generated cash and, to the extent required, by external floating rate bank borrowings. Other sources of funds include dividends received from associates.

At 31st March 2019, the group's cash net of borrowings was HK\$3,528.0 million as compared with HK\$3,045.3 million last year. The group's borrowing facilities were secured by certain properties held by the group with a total carrying value of HK\$483.5 million. All the group's borrowings were denominated in United States dollars. The US dollar loans are directly tied in with the business of the group's United States operations, and therefore these loans are substantially hedged by assets in the same currency.

As at year end, all the group's borrowings were payable within one year.

The group strives to maintain its gearing ratio, which is calculated as the ratio of the bank borrowings to equity, at a low level. It was 4.1% at 31st March 2019 as compared with 3.2% last year.

Committed borrowing facilities available to the group, but not drawn, at 31st March 2019 amounted to HK\$96.7 million. Together with the receipts over the next twelve months from tenants and purchasers of the group's properties, the liquid funds of the group are adequate to meet the anticipated working capital requirement in the coming year.

EMPLOYEES

The group, excluding associates, employs a total of 195 people in Hong Kong and the United States. Employees' costs, excluding directors' emoluments, amounted to HK\$64.9 million for the year ended 31st March 2019. The group understands that employees are valuable assets. Remuneration packages are reviewed annually with other employee benefits including medical subsidies, a non-contributory provident fund scheme and a mandatory provident fund scheme. The group also provides education subsidies to eligible employees.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The group has capital commitments in respect of financial assets at fair value through profit or loss as at 31st March 2019 of HK\$3.7 million. The group does not have any contingent liabilities as at 31st March 2019.

BUSINESS STRATEGY

The group has been pursuing to build and manage quality properties mainly in Hong Kong, with focuses on luxury residential properties in recent years, delivering attractive returns to our shareholders.

Besides, the group's interest in the hotel is an investment in prime location with a long term perspective. It provides a stable, recurring source of income for the group.

In determining its business strategy, the group takes into consideration market opportunities, the group's financial resources and its core competence, while exercising prudent and disciplined financial management at all times.

Taking pride in its long history in the business and strong financial capability, the group endeavors to achieve long term sustainable growth of its business in preserving and enhancing the shareholders' value.

PROSPECTS

Increased uncertainties arising from the volatile status of US-China trading relationship and recent political incidents here in Hong Kong are likely to keep market sentiment and conditions unsettled for some time. The US Federal Reserve has signalled an openness to cut interest rates in response to trade war risks, meaning a possible continuation of the low interest rate era in Hong Kong. The local Government strives to promote diversified development which helps to offset some negative impacts of US-China trade frictions. The development of the Greater Bay Area has entered into a stage of its full-fledged implementation. It is expected that it will bring Hong Kong advantages from mutually beneficial cooperation.

The local residential market showed signs of revival in the first quarter of 2019. New quality supply of luxury residential units is very limited, especially in traditional prime locations. The luxury segment is likely to remain more resilient to faltering market sentiment. We are confident in the potential of our Repulse Bay project and believe it would generate high return for our shareholders.

While the external risk factors are unpredictable, Hong Kong is capable of expanding its fiscal policy to support economic growth. With a strong balance sheet and ample cash on hand, the group is well poised to navigate any unexpected external turbulence. We will continue to pursue opportunities to replenish our land bank with development potential.

PURCHASE, SALE OR REDEMPTION OF SHARES

The company did not redeem any of its shares during the year. Neither the company nor any of its subsidiaries purchased or sold any of the company's shares during the year.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed the group's consolidated financial statements for the year ended 31st March 2019, including the accounting principles and practices adopted by the group, in conjunction with the company's external auditor and internal auditor.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the group's consolidated balance sheet, consolidated statement of comprehensive income and consolidated income statement, and the related notes thereto for the year ended 31st March 2019 as set out in the preliminary announcement have been agreed by the group's auditor, PricewaterhouseCoopers, to the amounts set out in the group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers 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 PricewaterhouseCoopers on the preliminary announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the year, the company has complied with the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited except in relation to the followings:

- (1) Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The company does not have a separate Chairman and Chief Executive Officer and Mr. David Pun Chan currently holds both positions. The board considers that the combination of the roles of Chairman and Chief Executive Officer can promote the efficient formulation and implementation of the company's strategies to grasp business opportunities efficiently and promptly. Such arrangement, which has been adopted by many local and international corporations, enables the company to meet the rapidly changing business environment which needs quicker decision making to achieve business efficiency.

- (2) Under code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election.

Non-executive directors of the company are not appointed for a specific term. However, they are subject to retirement by rotation and re-election at an annual general meeting of the company in accordance with the company's Bye-laws.

- (3) Under the second part of code provision A.4.2 of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Every director of the company, including those appointed for a specific term (save for any chairman or managing director under the company's Private Act which was enacted in Bermuda in 1990), shall be subject to retirement by rotation at least once every three years. Pursuant to section 4(g) of the Private Act of the company, any chairman or any managing director of the company shall not be subject to retirement by rotation under the Bye-laws.

Detailed information of the company's compliance of the CG Code will be set out in the Corporate Governance Report contained in the 2019 Annual Report.

ANNUAL GENERAL MEETING

The 2019 Annual General Meeting will be held on 28th August 2019. The Notice of Annual General Meeting will be published and dispatched to the shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed during the following periods:

- (1) from Friday, 23rd August 2019 to Wednesday, 28th August 2019, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the 2019 Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the transfer office of the company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 22nd August 2019.
- (2) from Thursday, 5th September 2019 to Monday, 9th September 2019, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the transfer office of the company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 4th September 2019.

By Order of the Board
David Pun Chan
Chairman

Hong Kong, 27th June 2019

As at the date hereof, the board comprises Mr. David Pun Chan (Chairman), Mr. William Wai Lim Lam and Mr. Wing Sau Li as executive directors, Ms. Ivy Sau Ching Chan as non-executive director and Mr. Joseph Wing Siu Cheung, Mr. Karl Chi Leung Kwok and Mr. Man Sing Kwong as independent non-executive directors.