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MAGNIFICENT HOTEL INVESTMENTS LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 201)

2019 INTERIM RESULTS

RESULTS

The board of directors (the “Board”) of Magnificent Hotel Investments Limited (the “Company”) announces that the **net profit after tax attributable to owners of the Company** before revaluation gain of investment properties and depreciation of land, property and equipment for the six months ended 30th June, 2019 was HK\$99 million (six months ended 30th June, 2018: HK\$95 million), increased by 4%.

	Six months ended	
	30.6.2019	30.6.2018
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit after taxation	57,599	61,467
Add: Depreciation for land, property and equipment	41,786	38,952
Less: Revaluation gain of investment properties	-	<u>(5,235)</u>
Net profit after tax before revaluation gain of investment properties and depreciation for land, property and equipment	99,385	95,184

The unaudited consolidated results of the Group for the period, together with comparative figures for the previous period, are as follows:

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30th June, 2019

	NOTES	Six months ended	
		30.6.2019 <i>HK\$'000</i> (unaudited)	30.6.2018 <i>HK\$'000</i> (unaudited)
Revenue	3	268,666	265,037
Cost of sales		(2,123)	(2,205)
Other service costs		(143,203)	(134,736)
Depreciation of property, plant and equipment and release of prepaid lease payments for land/ depreciation of right-of-use assets		<u>(37,947)</u>	<u>(35,629)</u>
Gross profit		85,393	92,467
Increase in fair value of investment properties		-	5,235
Other income and expenses and gains and losses		8,804	3,827
Administrative expenses		(18,698)	(18,092)
- Depreciation		(3,839)	(3,323)
- Others		(14,859)	(14,769)
Finance costs	5	<u>(4,009)</u>	<u>(6,787)</u>
Profit before taxation		71,490	76,650
Income tax expense	6	<u>(13,891)</u>	<u>(15,183)</u>
Profit for the period attributable to owners of the Company	7	<u>57,599</u>	<u>61,467</u>
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share	9		
Basic		<u>0.64</u>	<u>0.69</u>
Diluted		<u>N/A</u>	<u>N/A</u>

Condensed Consolidated Statement of Total Comprehensive Income

For the six months ended 30th June, 2019

	Six months ended	
	30.6.2019 <i>HK\$'000</i> (unaudited)	30.6.2018 <i>HK\$'000</i> (unaudited)
Profit for the period	<u>57,599</u>	<u>61,467</u>
Other comprehensive income (expense)		
Item that will not be reclassified to profit or loss		
Fair value gain (loss) on equity instruments at fair value through other comprehensive income	8,404	(11,619)
Item that may be subsequently reclassified to profit or loss		
Exchange differences arising on translation of foreign operations	<u>(1,413)</u>	<u>(11,253)</u>
Other comprehensive income (expense) for the period	<u>6,991</u>	<u>(22,872)</u>
Total comprehensive income attributable to owners of the Company	<u>64,590</u>	<u>38,595</u>

Consolidated Statement of Financial Position

At 30th June, 2019

	<i>NOTES</i>	30.06.2019 <i>HK\$'000</i> (unaudited)	31.12.2018 <i>HK\$'000</i> (audited)
Non-Current Assets			
Property, plant and equipment		2,634,206	2,690,769
Prepaid lease payments for land		-	27,105
Right-of-use assets		27,513	-
Investment properties		1,097,400	1,099,300
Equity instruments at fair value through other comprehensive income		329,115	320,711
Deposit paid for acquisition of property, plant and equipment		5,800	-
		<u>4,094,034</u>	<u>4,137,885</u>
Current Assets			
Inventories		1,113	1,309
Prepaid lease payments for land		-	815
Trade and other receivables	<i>10</i>	12,186	23,827
Other deposits and prepayments		10,947	8,330
Bank balances and cash		512,405	499,169
		<u>536,651</u>	<u>533,450</u>
Current Liabilities			
Trade and other payables and accruals	<i>11</i>	26,054	24,822
Rental and other deposits received		10,686	10,752
Contract liabilities		4,646	3,680
Amount due to immediate holding company		-	5,088
Tax liabilities		22,494	14,611
Bank loans		130,870	172,735
		<u>194,750</u>	<u>231,688</u>
Net Current Assets		<u>341,901</u>	<u>301,762</u>
Total Assets less Current Liabilities		<u>4,435,935</u>	<u>4,439,647</u>
Capital and Reserves			
Share capital		841,926	841,926
Reserves		3,225,990	3,219,735
Total Equity		<u>4,067,916</u>	<u>4,061,661</u>
Non-Current Liabilities			
Bank loans		268,260	278,866
Rental deposits received		1,646	1,552
Deferred tax liabilities		98,113	97,568
		<u>368,019</u>	<u>377,986</u>
		<u>4,435,935</u>	<u>4,439,647</u>

NOTES:

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 31st December, 2018 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is as follows:

The Company has delivered the financial statements for the year ended 31st December, 2018 to the Register of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th June, 2019 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31st December, 2018.

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1st January, 2019 for the preparation of the Group’s condensed consolidation financial statements:

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

The application of the new and amendments to HKFRSs in the current period has had no material impact on the Group’s financial performance and positions for the current and prior periods.

3. REVENUE

Revenue represents the aggregate of income from operation of hotels, property rental and dividend income, and is analysed as follows:

	Six months ended	
	30.6.2019	30.6.2018
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Income from operation of hotels	248,370	243,995
Income from property rental	16,739	17,639
Dividend income	<u>3,557</u>	<u>3,403</u>
	<u>268,666</u>	<u>265,037</u>

4. SEGMENT INFORMATION

The Group's operating and reportable segments, based on information reported to the chief operating decision maker, Chairman of the Company, for the purpose of resources allocation and performance assessment are as follows:

1. Hospitality services – Best Western Plus Hotel Kowloon
2. Hospitality services – Best Western Plus Hotel Hong Kong
3. Hospitality services – Magnificent International Hotel, Shanghai
4. Hospitality services – Best Western Hotel Causeway Bay
5. Hospitality services – Ramada Hong Kong Harbour View
6. Hospitality services – Best Western Grand Hotel
7. Hospitality services – Grand City Hotel
8. Property investment
9. Securities investment

Information regarding the above segments is reported below.

4. SEGMENT INFORMATION (Continued)

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

	Segment revenue		Segment profit	
	Six months ended		Six months ended	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Hospitality services	248,370	243,995	65,097	71,425
- Best Western Plus Hotel Kowloon	36,326	31,652	6,543	5,473
- Best Western Plus Hotel Hong Kong	43,122	40,858	16,424	15,463
- Magnificent International Hotel, Shanghai	8,150	9,799	11	1,548
- Best Western Hotel Causeway Bay	31,573	32,803	6,562	8,301
- Ramada Hong Kong Harbour View	51,823	50,669	18,981	20,348
- Best Western Grand Hotel	52,349	53,184	10,528	12,813
- Grand City Hotel	25,027	25,030	6,048	7,479
Property investment	16,739	17,639	16,739	22,874
Securities investment	3,557	3,403	3,557	3,403
	<u>268,666</u>	<u>265,037</u>	85,393	97,702
Other income and expenses and gains and losses			8,804	3,827
Central administration costs and directors' emoluments			(18,698)	(18,092)
Finance costs			(4,009)	(6,787)
Profit before taxation			<u>71,490</u>	<u>76,650</u>

5. FINANCE COSTS

	Six months ended	
	30.6.2019 HK\$'000 (unaudited)	30.6.2018 HK\$'000 (unaudited)
Interests on:		
Bank loans	4,009	6,783
Amount due to immediate holding company	<u>-</u>	<u>4</u>
	<u>4,009</u>	<u>6,787</u>

6. INCOME TAX EXPENSE

	Six months ended	
	30.6.2019 HK\$'000 (unaudited)	30.6.2018 HK\$'000 (unaudited)
The taxation charge comprises:		
Current tax		
Hong Kong	10,941	10,394
The People's Republic of China (the "PRC")	-	339
The United Kingdom (the "UK")	<u>2,507</u>	<u>2,713</u>
	13,448	13,446
Overprovision in prior years		
The UK	<u>(102)</u>	<u>(63)</u>
	13,346	13,383
Deferred tax	<u>545</u>	<u>1,800</u>
	<u>13,891</u>	<u>15,183</u>

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The annual tax rate used is 16.5% for the six months ended 30th June, 2019 (six months ended 30th June, 2018: 16.5%).

Taxation arising in the PRC and the UK are recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year prevailing in the relevant jurisdictions.

7. PROFIT FOR THE PERIOD

Six months ended	
30.6.2019	30.6.2018
HK\$'000	HK\$'000
(unaudited)	(unaudited)

Profit for the period has been arrived at after charging
(crediting):

Release of prepaid lease payments for land	-	425
Depreciation of right-of-use assets	407	-
Depreciation of property, plant and equipment	41,379	38,527
Interest on bank deposits (Note)	(4,831)	(3,485)
(Gain) loss on disposal of property, plant and equipment (Note)	<u>(3,318)</u>	<u>61</u>

Note: The amounts are included in other income and expenses and gains and losses.

8. DIVIDEND

During the six months ended 30th June, 2019, a final dividend of HK0.652 cent per share amounting to HK\$58,335,000 was declared and paid to shareholders for the year ended 31st December, 2018 (six months ended 30th June, 2018: a final dividend of HK0.627 cent per share amounting to HK\$56,098,000 was paid to shareholders for the year ended 31st December, 2017).

The interim dividend in respect of the six months ended 30th June, 2019 of HK0.08 cent per share amounting to HK\$7,158,000 has been declared by the Board (six months ended 30th June, 2018: HK0.08 cent per share amounting to HK\$7,158,000).

9. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit for the period attributable to owners of the Company of HK\$57,599,000 (six months ended 30th June, 2018: HK\$61,467,000) and on 8,947,051,000 shares (six months ended 30th June, 2018: 8,947,051,000 shares) in issue during the period.

Diluted earnings per share for both periods are not presented as there are no potential ordinary shares exist during both periods.

10. TRADE AND OTHER RECEIVABLES

	As at 30.6.2019 <i>HK\$'000</i> (unaudited)	As at 31.12.2018 <i>HK\$'000</i> (audited)
Trade receivables	7,895	19,155
Other receivables	<u>4,291</u>	<u>4,672</u>
	<u>12,186</u>	<u>23,827</u>

Except for a credit period of 30 to 60 days granted to travel agencies and certain customers of the hotels, the Group does not allow any credit period to customers. The following is an aged analysis of the Group's trade receivables presented based on the invoice date at the end of the reporting period:

	As at 30.6.2019 <i>HK\$'000</i> (unaudited)	As at 31.12.2018 <i>HK\$'000</i> (audited)
Not yet due	7,587	17,942
Overdue:		
0 - 30 days	159	1,051
31 - 60 days	79	119
61 - 90 days	<u>70</u>	<u>43</u>
	<u>7,895</u>	<u>19,155</u>

11. TRADE AND OTHER PAYABLES AND ACCRUALS

	As at 30.6.2019 HK\$'000 (unaudited)	As at 31.12.2018 HK\$'000 (audited)
Trade payables	3,491	3,557
Dividend payable	-	2,069
Other payables and accruals	<u>22,563</u>	<u>19,196</u>
	<u>26,054</u>	<u>24,822</u>

The following is an aged analysis of the Group's trade payables presented based on the invoice date at the end of the reporting period:

	As at 30.6.2019 HK\$'000 (unaudited)	As at 31.12.2018 HK\$'000 (audited)
0 - 30 days	3,452	3,464
31 - 60 days	39	72
61 - 90 days	<u>-</u>	<u>21</u>
	<u>3,491</u>	<u>3,557</u>

INTERIM DIVIDEND

The Board has resolved to declare the payment of an interim dividend of HK0.08 cent per share for the six months ended 30th June, 2019 (six months ended 30th June, 2018: HK0.08 cent per share) payable on Friday, 26th June, 2020 to shareholders whose names appear on the register of members of the Company on Friday, 12th June, 2020.

BOOK CLOSURE

The register of members will be closed from Wednesday, 10th June, 2020 to Friday, 12th June, 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrars, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Tuesday, 9th June, 2020.

MANAGEMENT DISCUSSION AND ANALYSIS

During the period under review, the Group continued with its hotel investments, hotel management and property leasing.

The net profit after tax attributable to owners of the Company before revaluation gain of investment properties and depreciation of land, property and equipment for the six months ended 30th June, 2019 was HK\$99 million (six months ended 30th June, 2018: HK\$95 million), increased by 4%. (See Note a)

	Six months ended		Change
	30.6.2018	30.6.2019	
	<i>HK\$'000</i>	<i>HK\$'000</i>	
	(unaudited)	(unaudited)	
Revaluation profit of investment properties	5,235	-	N/A
Profit from operation of hotels	66,718	63,261	-5%
Properties rental income	15,559	14,566	-6%
Income from securities investments	3,403	3,557	+5%
Other income and expenses and gain and losses	<u>3,827</u>	<u>8,804</u>	+130%
	94,742	90,188	-5%
Administrative expenses	(18,092)	(18,698)	+3%
Income tax expense	<u>(15,183)</u>	<u>(13,891)</u>	-9%
Profit after taxation	61,467	57,599	-6%
Less: Revaluation profit of investment properties	(5,235)	-	N/A
Add: Properties depreciation and release of prepaid lease payments for land	<u>38,952</u>	<u>41,786</u>	+7%
Net profit after tax before revaluation gain and depreciation of land, property and equipment	95,184	99,385	+4%

(Note a)

The overall net profit increased by HK\$4 million due to increase in other income. Other income includes gain from the disposal of the apartment property at Tai Hang and others.

PERFORMANCE

- For the six months ended 30th June, 2019, the **GROUP'S INCOME** was mostly derived from the aggregate of income from operation of hotels and hotel properties rental income, which was analysed as follows:

Income

	Six months ended		Change	Reasoning
	30.6.2018 <i>HK\$'000</i> (unaudited)	30.6.2019 <i>HK\$'000</i> (unaudited)		
Income from operation of hotels	243,995	248,370	+2%	Increase in room rates
Properties rental income	17,639	16,739	-5%	Rental income from UK hotel property and pound sterling depreciated against Hong Kong dollars
Dividend income	3,403	3,557	+5%	Increase in dividend received from stock investment
Other income	<u>3,827</u>	<u>8,804</u>	+130%	Gain from the disposal of the apartment property at Tai Hang Road and others
Total	268,864	277,470	+3%	

The total income for the Group increased by 3% from HK\$269 million to HK\$277 million for the same period compared with last year.

The Group presently owns eight hotels, operates seven hotels and leases out one hotel in London. The income from operation of hotels increased by 2% to HK\$248 million (six months ended 30th June, 2018: HK\$244 million). Royal Scot Hotel in London was leased to a hotel management company, Travelodge.

	Best Western Plus Hotel Kowloon		Best Western Plus Hotel Hong Kong		Best Western Hotel Causeway Bay		Ramada Hong Kong Harbour View		Best Western Grand Hotel		Grand City Hotel		Magnificent International Hotel, Shanghai		Change
	Avg Room	Avg Rate	Avg Room	Avg Rate	Avg Room	Avg Rate	Avg Room	Avg Rate	Avg Room	Avg Rate	Avg Room	Avg Rate	Avg Room	Avg Rate	
	Occupancy %	HK\$	Occupancy %	HK\$	Occupancy %	HK\$	Occupancy %	HK\$	Occupancy %	HK\$	Occupancy %	HK\$	Occupancy %	HK\$	
2019															
Jan	99	859	100	738	100	697	99	638	99	761	99	667	57	236	
Feb	99	934	100	781	100	760	100	720	99	837	99	725	60	286	
Mar	100	825	100	765	100	731	99	686	100	752	99	694	69	330	
Apr	100	805	100	803	100	714	100	696	99	727	99	686	85	333	
May	100	683	100	607	100	548	99	556	99	587	99	554	87	326	
Jun	99	636	100	583	100	501	100	515	99	562	99	480	77	316	
Total <i>(HK'000)</i>	36,326		43,122		31,573		51,823		52,349		25,027		8,150		
2018 Jan to Jun Total <i>(HK'000)</i>	31,652		40,858		32,803		50,669		53,184		25,030		9,527		
Change(%)	+15		+6		-4		+2		-2		-		-14		+2

During the period, Best Western Hotel Harbour View was re-branded to higher class **RAMADA HONG KONG HARBOUR VIEW**.

As at 30th June, 2019, the valuation of Royal Scot Hotel, London was GBP£95,000,000 against initial purchase cost GBP£70,000,000. From 22nd June, 2019, the annual rental income of the Royal Scot Hotel increased from GBP£3,137,000 to GBP£3,546,000, increased by 13%.

COSTS

- **THE SERVICE COST** of the Group for the period was HK\$143.2 million (six months ended 30th June, 2018: HK\$134.7 million) representing hotel operations, increased by 6%.

Name of Hotel	Six months ended		Change
	30.6.2018 <i>HK\$ million</i> <i>per month</i>	30.6.2019 <i>HK\$ million</i> <i>per month</i>	
Best Western Plus Hotel Kowloon	3.25	3.54	+9%
Best Western Plus Hotel Hong Kong	3.92	4.13	+5%
Best Western Grand Hotel	4.32	4.55	+5%
Ramada Hong Kong Harbour View	4.59	4.97	+8%
Best Western Hotel Causeway Bay	3.14	3.21	+2%
Grand City Hotel	2.44	2.68	+8%
Magnificent International Hotel, Shanghai	1.15	1.14	-1%

During the period, the service cost of Best Western Plus Hotel Kowloon increased by 9% due to the increase of 40 rooms which represents about 20% of the total hotel rooms.

Cost of sale of HK\$2 million (six months ended 30th June, 2018: HK\$2 million) was from cost of food and beverage.

- During the period, the **ADMINISTRATIVE EXPENSES** excluding depreciation was HK\$14.9 million (six months ended 30th June, 2018: HK\$14.8 million), representing cost for corporate management office including directors' fees, salaries for executive staff and employees, rental, marketing expenses and office expenses.

The accounting standards require hotel properties of the Group to provide **DEPRECIATION** which amounted to HK\$37.9 million (six months ended 30th June, 2018: HK\$35.6 million) for the period.

DEPRECIATION OF HOTEL PROPERTIES

Name of Hotel	Six months ended		Change <i>HK\$ million</i>
	30.6.2018 <i>HK\$ million</i>	30.6.2019 <i>HK\$ million</i>	
Best Western Plus Hotel Kowloon	6.6	8.6	+2.0
Best Western Plus Hotel Hong Kong	1.9	1.9	-
Best Western Grand Hotel	14.4	14.5	+0.1
Ramada Hong Kong Harbour View	2.8	3.0	+0.2
Best Western Hotel Causeway Bay	5.7	5.7	-
Grand City Hotel	2.9	2.9	-
Magnificent International Hotel, Shanghai	<u>1.3</u>	<u>1.3</u>	-
Total amount for the period	35.6	37.9	+2.3

FUNDING

- As at 30th June, 2019, the **OVERALL DEBTS** of the Group were HK\$399 million (31st December, 2018: HK\$457 million), of which HK\$399 million (31st December, 2018: HK\$452 million) was bank borrowings which was secured by certain assets of the Group and no advance from shareholder (31st December, 2018: HK\$5 million).

The overall debts were analysed as follows:

	As at 31st December, 2018 <i>HK\$ million</i>	As at 30th June, 2019 <i>HK\$ million</i>	Change <i>HK\$ million</i>	Interest Paid As at 30th June, 2019 <i>HK\$ million</i>
Bank loans	452	399	-53	4
Shareholder's loan	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>
Overall debts	457	399	-53	4

FINANCE COST: Of these loans, the total interest expenses amounted to HK\$4.009 million (30th June, 2018: HK\$6.787 million), the bank loans interest expenses amounted to HK\$4.009 million (30th June, 2018: HK\$6.783 million) and no interest expenses on the shareholder's loan (30th June, 2018: 0.004 million). The bank loan interest decreased due to repayment of bank loans during the period.

The gearing ratio was 10% (31st December, 2018: 11%) in terms of overall debts of HK\$399 million (31st December, 2018: HK\$457 million) against funds employed (before all hotel properties revaluation) of HK\$4,068 million (31st December, 2018: HK\$4,062 million).

The Group's bank borrowings carry interest at floating rates and are mainly denominated in Hong Kong dollar and Pound Sterling. Accordingly, the Group exposes to exchange risk and management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

As at 30th June, 2019, the Group's staffing level did not have material change when compared with that of 31st December, 2018. Remuneration and benefit were set with reference to the market.

LOOKING AHEAD

- During the period, the hotel revenue modestly increased by 2%. Future improvement of hotel performances will be difficult because of large increase supply of hotel rooms in Hong Kong, competing room rate and occupancy, skilful labour shortage, most importantly, the large drop of Renminbi exchange rate will make Hong Kong a lesser desirable destination for the PRC visitors which account about 70% of the market.
- With the current political crisis and violent street protests, there will be a large reduction of visitors to Hong Kong. Until the crisis is well over, our Group's hotels may suffer substantial reduction in hotel revenue which may affect profitability and dividend payment of the year.
- The management will try to seek good opportunities to further increase overall revenue and operating profit by acquisition of income-producing properties.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed amount of public float during the period and up to the date of this announcement as required under the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the period.

By Order of the Board

William CHENG Kai Man
Chairman

Hong Kong, 19th August, 2019

As at the date hereof, the Board comprises nine Directors, of which five are Executive Directors, namely Mr. William Cheng Kai Man, Mr. Albert Hui Wing Ho, Madam Kimmy Lau Kam May, Madam Ng Yuet Ying and Madam Jennie Wong Kwai Fong; one is Non-executive Director, Madam Mabel Lui Fung Mei Yee; and three are Independent Non-executive Directors, namely Mr. Vincent Kwok Chi Sun, Mr. Chan Kim Fai and Mr. Lam Kwai Cheung.