華 厦 置 業 有 限 公 司
WAH HA REALTY COMPANY LIMITED

**WAH HA REALTY COMPANY LIMITED**
(Incorporated in Hong Kong with limited liability)
(Stock Code: 278)

**INTERIM RESULTS**
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2018**

The Board of Directors of Wah Ha Realty Company Limited (the "Company") announces that the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") and its associated companies for the six months ended 30 September 2018, with comparative figures of the previous period, are as follows:

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2018**

| | | Six months ended 30 September | |
|---|---|---|---|
| | Note | **2018** **HK$** | 2017 HK$ |
| Revenues | 2 | **8,078,073** | 6,493,936 |
| Changes in fair value of investment properties | | **13,500,000** | 8,500,000 |
| Net fair value loss on financial assets at fair value through profit or loss | | **(285,132)** | (698,701) |
| Other (losses)/gains, net | 3 | **(6,787,183)** | 2,822,392 |
| Direct outgoings in relation to properties that generate income | | **(806,465)** | (407,211) |
| Staff costs | | **(3,461,277)** | (3,372,037) |
| Other operating expenses | | **(891,452)** | (790,418) |
| Operating profit | | **9,346,564** | 12,547,961 |
| Share of profits less losses of associated companies (including share of fair value gain on investment properties of HK$63,800,000 (2017: HK$59,850,000)) | | **87,091,030** | 77,481,311 |
| Profit before income tax | | **96,437,594** | 90,029,272 |
| Income tax credit | 4 | **184,286** | 91,622 |
| Profit and total comprehensive income attributable to equity holders of the Company | | **96,621,880** | 90,120,894 |
| Earnings per share (Basic and diluted) | 5 | **0.80** | 0.75 |
| Dividends | 6 | **13,305,600** | 13,305,600 |

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**
**AS AT 30 SEPTEMBER 2018**

| | Note | **30 September 2018 HK$** | 31 March 2018 HK$ |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Investment properties | | **237,200,000** | 223,700,000 |
| Investments in associated companies | | **851,943,317** | 771,352,287 |
| Deferred income tax assets | | **2,502,865** | 2,301,189 |
| | | **1,091,646,182** | 997,353,476 |
| **Current assets** | | | |
| Completed properties held for sale | | **1,456,911** | 1,456,911 |
| Amounts due from associated companies | | **19,916,226** | 19,620,226 |
| Trade and other receivables | 7 | **1,688,918** | 2,190,086 |
| Tax recoverable | | **44,585** | 60,984 |
| Financial assets at fair value through profit or loss | | **1,446,945** | 1,732,077 |
| Cash and bank balances | | **312,871,277** | 480,748,541 |
| | | **337,424,862** | 505,808,825 |
| **Total assets** | | **1,429,071,044** | 1,503,162,301 |

| | Note | 30 September 2018 HK$ | 31 March 2018 HK$ |
|---|---|---|---|
| **EQUITY** | | | |
| **Capital and reserves attributable to the Company's equity holders** | | | |
| Share capital | | **78,624,000** | 78,624,000 |
| Retained profits | | | |
| - Interim dividend | | **13,305,600** | - |
| - Special dividend | | **-** | 166,924,800 |
| - Proposed dividends | | **-** | 27,820,800 |
| - Others | | **1,263,768,982** | 1,180,452,702 |
| | | **1,277,074,582** | 1,375,198,302 |
| **Total equity** | | **1,355,698,582** | 1,453,822,302 |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Amounts due to associated companies | | **68,948,943** | 45,515,443 |
| Trade and other payables | 8 | **4,408,011** | 3,820,617 |
| Tax payable | | **15,508** | 3,939 |
| **Total liabilities** | | **73,372,462** | 49,339,999 |
| **Total equity and liabilities** | | **1,429,071,044** | 1,503,162,301 |
| **Net current assets** | | **264,052,400** | 456,468,826 |

## NOTES TO THE INTERIM FINANCIAL INFORMATION

### 1. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 September 2018 has been prepared in accordance with Hong Kong Accounting Standard 34, 'Interim Financial Reporting'. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2018, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The accounting policies and methods of computation applied in the preparation of the condensed consolidated interim financial information are consistent with those applied in the annual financial statements for the year ended 31 March 2018, except as stated below.

A number of new or amended standards became applicable for the current reporting period and the Group had to change its accounting policies as a result of adopting the following standards:

| | |
|---|---|
| HKFRS 9 | Financial Instruments |
| HKFRS 15 | Revenue from Contracts with Customers |

The impact of the adoption of these standards and the new accounting policies are disclosed below. The other standards did not have any impact on the Group's accounting policies and did not require retrospective adjustments.

<u>Changes in accounting policies</u>

This note explains the impact of the adoption of HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") on the Group's financial information and the new accounting policies that have been applied from 1 April 2018, where they are different to those applied in prior periods.

(a) Impact on the financial information

As explained in Notes 1(b)(i) and 1(c)(i) below, HKFRS 9 and HKFRS 15 were adopted by the Group without restating comparative information. No reclassifications and adjustments are reflected in the consolidated balance sheet as at 31 March 2018 and in the opening consolidated balance sheet on 1 April 2018 as a result of the changes in the Group's accounting policies.

(b) Adoption of HKFRS 9 "Financial Instruments"

(i) HKFRS 9 "Financial Instruments" — Impact of adoption

HKFRS 9 replaces the provisions of HKAS 39 "Financial Instruments: Recognition and Measurement" ("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.

The adoption of HKFRS 9 from 1 April 2018 resulted in changes in accounting policies but no adjustment to the amounts recognised in the consolidated financial statements was made. The new accounting policies are set out in Note 1(b)(ii) below.

*Classification and measurement*

On 1 April 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories. There were no changes to the classification and measurement of financial instruments.

*Impairment of financial assets*

The new impairment model requires the recognition of impairment provisions based on expected credit losses ("ECL") rather than only incurred credit losses as is the case under HKAS 39. The Group has trade receivables and other receivables that are subject to HKFRS 9's new ECL model.

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets. The Group applies the HKFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade receivables. Impairment on other receivables is measured as either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition.

The Group established ECL model based on historical settlement records, past experience and available forward-looking information. The Group has concluded that the impact of ECL on financial assets is insignificant as at 1 April 2018.

(ii) HKFRS 9 "Financial Instruments" — Summary of significant accounting policies

The following describes the Group's updated financial instruments policy to reflect the adoption of HKFRS 9:

*Classification*

The Group classifies its financial assets in the following measurement categories:

— those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
— those to be measured at amortised cost.

The classification depends on the Group'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 ("FVOCI").

*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 the profit and loss.

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the profit and loss. Dividends received from such investments continue to be recognised in the profit and loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised and separately disclosed in the profit and loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at financial assets at FVOCI are not reported separately from other changes in fair value.

*Impairment of financial assets*

From 1 April 2018, the Group assesses on a forward looking basis the ECL associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment on other receivables is measured as either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime ECL.

(c) Adoption of HKFRS 15 "Revenue from Contracts with Customers"

(i) HKFRS 15 "Revenue from Contracts with Customers" — Impact of adoption

HKFRS 15 deals with revenue recognition and establishes principles for reporting information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of goods or services and thus has the ability to direct the use and obtain the benefits from the goods or services.

The adoption of HKFRS 15 has no material impact to the retained earnings as at 1 April 2018 and therefore, no adjustment was made.

(ii) HKFRS 15 "Revenue from Contracts with Customers" — Summary of significant accounting policies

The following describes the Group's updated revenue recognition policy to reflect the adoption of HKFRS 15:

*Sales of properties*

Revenue from sales of completed properties is recognised at a point in time when the underlying property is legally and/or physically transferred to the customer.

*Provision of management services and construction supervision services*

Revenue from providing management services and construction supervision services is recognised over time in the accounting period in which the services are rendered.

## 2. REVENUES AND SEGMENTAL INFORMATION

The principal activities of the Group include those relating to investment holding, property development, investment and management in Hong Kong. There is no other significant identifiable separate business. In accordance with the Group's internal financial reporting provided to the chief operating decision-maker for the purpose of allocating resources, assessing performance of the operating segments and making strategic decision, the reportable operating segments are property development, investment and management and investments.

Segment assets consist of investment properties, financial assets at fair value through profit or loss, receivables, completed properties held for sale and cash and bank balances and exclude items such as tax recoverable and deferred income tax assets. Segment liabilities comprise operating liabilities and exclude items such as tax payable and unpaid dividend.

Revenues represent turnover recognised during the period and comprise the following:

| | **Six months ended 30 September** | |
|---|---|---|
| | **2018** | 2017 |
| | **HK$** | HK$ |
| Rental income | **3,124,247** | 3,183,427 |
| Management fee income | **741,231** | 683,575 |
| Bank interest income | **4,145,907** | 2,456,934 |
| Dividend income - Listed investments | **21,588** | 42,950 |
| Construction supervision fee income | **45,100** | 127,050 |
| | **8,078,073** | 6,493,936 |

**The segment results for the six months ended 30 September 2018 are as follows:**

| | Property development, investment and management HK$ | Investments HK$ | Total HK$ |
|---|---|---|---|
| Revenues | **3,910,578** | **4,167,495** | **8,078,073** |
| Segment results | **15,759,416** | **(2,907,367)** | **12,852,049** |
| Unallocated costs | | | **(3,505,485)** |
| Operating profit | | | **9,346,564** |
| Share of profits less losses of associated companies | **87,091,030** | **-** | **87,091,030** |
| Profit before income tax | | | **96,437,594** |
| Income tax credit | | | **184,286** |
| Profit attributable to the equity holders of the Company | | | **96,621,880** |
| Changes in fair value of investment properties | **13,500,000** | **-** | **13,500,000** |

**The segment assets and liabilities at 30 September 2018 are as follows:**

| | Property development, investment and management HK$ | Investments HK$ | Total HK$ |
|---|---|---|---|
| Segment assets | **259,290,921** | **315,289,356** | **574,580,277** |
| Associated companies | **851,943,317** | **-** | **851,943,317** |
| Unallocated assets | | | **2,547,450** |
| Total assets | | | **1,429,071,044** |
| Segment liabilities | **71,715,521** | **-** | **71,715,521** |
| Unallocated liabilities | | | **1,656,941** |
| Total liabilities | | | **73,372,462** |

The segment results for the six months ended 30 September 2017 are as follows:

| | Property development, investment and management HK$ | Investments HK$ | Total HK$ |
|---|---|---|---|
| Revenues | 3,994,052 | 2,499,884 | 6,493,936 |
| Segment results | 11,270,556 | 4,622,470 | 15,893,026 |
| Unallocated costs | | | (3,345,065) |
| Operating profit | | | 12,547,961 |
| Share of profits less losses of associated companies | 77,481,311 | - | 77,481,311 |
| Profit before income tax | | | 90,029,272 |
| Income tax credit | | | 91,622 |
| Profit attributable to the equity holders of the Company | | | 90,120,894 |
| Changes in fair value of investment properties | 8,500,000 | - | 8,500,000 |

The segment assets and liabilities at 31 March 2018 are as follows:

| | Property development, investment and management HK$ | Investments HK$ | Total HK$ |
|---|---|---|---|
| Segment assets | 245,911,586 | 483,536,255 | 729,447,841 |
| Associated companies | 771,352,287 | - | 771,352,287 |
| Unallocated assets | | | 2,362,173 |
| Total assets | | | 1,503,162,301 |
| Segment liabilities | 47,815,881 | - | 47,815,881 |
| Unallocated liabilities | | | 1,524,118 |
| Total liabilities | | | 49,339,999 |

## 3. OTHER (LOSSES) / GAINS, NET

| | Six months ended 30 September | |
|---|---|---|
| | **2018** | 2017 |
| | **HK$** | HK$ |
| Net exchange (losses)/gains | **(6,789,730)** | 2,821,287 |
| Sundries | **2,547** | 1,105 |
| | **(6,787,183)** | 2,822,392 |

## 4. INCOME TAX CREDIT

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the Group's estimated assessable profit for the period.

| | Six months ended 30 September | |
|---|---|---|
| | **2018** | 2017 |
| | **HK$** | HK$ |
| Hong Kong profits tax | | |
| Provision for the period | **(17,390)** | (66,925) |
| Deferred income tax credit | **201,676** | 158,547 |
| | **184,286** | 91,622 |

## 5. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the profit attributable to equity holders of the Company of HK$96,621,880 (2017: HK$90,120,894) and on 120,960,000 shares (2017: 120,960,000 shares) in issue during the period. The diluted earnings per share equals to the basic earnings per share since there are no dilutive potential shares in issue during both periods.

## 6. DIVIDENDS

| | Six months ended 30 September | |
|---|---|---|
| | **2018** | 2017 |
| | **HK$** | HK$ |
| Interim dividend declared of HK11 cents (2017: HK11 cents) per share | **13,305,600** | 13,305,600 |

The Board of Directors has resolved to declare an interim dividend of HK11 cents per share for the six months ended 30 September 2018 (2017: HK11 cents) payable on Monday, 21 January 2019 to equity holders whose names appear on the Register of Members of the Company on Friday, 4 January 2019.

## 7. TRADE AND OTHER RECEIVABLES

| | **30 September 2018 HK$** | 31 March 2018 HK$ |
|---|---|---|
| Trade receivables | | |
| Within 3 months (based on debit note date) | **167,579** | 172,190 |
| Other receivables | **1,265,437** | 1,734,081 |
| Prepayments and utility deposits | **255,902** | 283,815 |
| | **1,688,918** | 2,190,086 |

Trade receivables represent rental and management fee receivables. Rental receivable is normally due for payment upon presentation of debit note at the beginning of each rental period (normally on a monthly basis). Management fee receivable is normally due for payment upon presentation of debit note at the end of each month.

## 8. TRADE AND OTHER PAYABLES

| | **30 September 2018 HK$** | 31 March 2018 HK$ |
|---|---|---|
| Trade payables | | |
| Within 3 months (based on invoice date) | **1,600** | 35,352 |
| Other payables | **1,642,350** | 1,545,846 |
| Rental and utility deposits received | **1,283,693** | 1,256,093 |
| Accrued expenses | **1,480,368** | 983,326 |
| | **4,408,011** | 3,820,617 |

## INTERIM DIVIDEND

The Board of Directors has resolved to declare an interim dividend of HK11 cents per share for the six months ended 30 September 2018 (2017: HK11 cents) payable on Monday, 21 January 2019 to equity holders whose names appear on the Register of Members of the Company on Friday, 4 January 2019.

## CLOSURE OF REGISTER OF MEMBERS

The Transfer Books and Register of Members of the Company will be closed from Friday, 28 December 2018 to Friday, 4 January 2019, both days inclusive during which period no transfer of shares will be registered.

To qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Hongkong Managers and Secretaries Limited at Units 1607-8, 16th Floor, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong not later than 4:00 p.m. on Thursday, 27 December 2018.

## MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL RESULTS

For the period under review, the Group's unaudited profit attributable to equity holders of the Company amounted to HK$96.6 million, representing an increase of about 7.2% from the corresponding period in 2017. Amongst these, HK$9.5 million (2017: HK$12.6 million) came from the Group and HK$87.1 million (2017: HK$77.5 million) was the contribution from the Group's associated companies. This moderate increase was mainly attributable to various favourable factors, namely improvement in the fair value gains from the Group's and its associated companies' investment properties for HK$9.0 million, better realised profits from the sales of certain properties of the Group and its associated companies for HK$5.8 million, and greater interest income of HK$1.7 million. Such increase was nevertheless eroded by the unfavourable net exchange difference of HK$9.6 million as a result of the recent significant depreciation of RMB/HK$.

## BUSINESS REVIEW

### Property Development, Investment and Management

During the period under review, even though the disposals of numerous properties in last year led to a reduction in rental income, our Rental Business still performed satisfactorily. A reduction of after-tax profit for HK$0.5 million was reported.

During the period under review, two associated companies had disposed of 4 industrial units in Fanling and 1 industrial unit in Tsing Yi respectively. The aggregate profits derived by the Group therefrom were HK$5.8 million higher than that of the last corresponding period.

During the period under review, an associated company had acquired 1 residential unit in Yau Ma Tei. Subsequent to the period under review, this associated company had further acquired 1 residential unit in Yau Ma Tei.

Apart from the aforesaid, the Group did not acquire or dispose of any property during the period under review and up to the date of this report.

### Investments

For the period under review, the Group's investment portfolio performed better and an improvement of HK$0.4 million was recorded. The better deposit interest rates had a favourable effect on the interest income of the Group and an increase of HK$1.7 million was reported during the period under review.

RMB was under great downside pressure after the recent outbreak of the trade war promulgated by the US President. A substantial depreciation of the exchange rate of RMB/HK$ resulted in an unfavourable net exchange difference of HK$9.6 million.

## PROSPECTS

For the period under review, the local economy exhibited stable growth. The 3rd Quarter GDP and private consumption growths in real term were 2.9% and 5.2% respectively. The seasonally adjusted unemployment rate stood at a relatively stable level of 2.8%. Inflation was maintained at below 3%. For September 2018, the year-on-year change for Composite Consumer Price Index was 2.7%. A positive growth of 4.5% in the total exports was recorded in September 2018. However, these figures had not reflected the impact of the trade war between the United States and China.

Globally, the United States had raised the interest rates three times in 2018 and the fourth increase in interest rate in the coming December is a market consensus. The balance sheet normalisation by the Federal Reserve is in progress. All these measures had the effects of tighter money supply and attracting tremendous funds to flow to the United States for higher yield. The banks in Hong Kong had finally followed the interest hike in the prime rate though with a lower magnitude. Nevertheless, the interest rates in Hong Kong, as reflected in HIBOR, is generally much higher than that in 2017. Last year's problem of the refugee issue, the Brexit and the independence issue in Spain are still the hurdles that the European Union should overcome. The past close relationship between the United States and Europe is somewhat affected by the attitude taken by President Trump in the United States. Furthermore, no or little progress was seen in the nuclear threat after the talk between the United States and North Korea. China still faces the problem of the sovereignty issue in the South China Sea and the impact of the trade war initiated by the United States need to be observed. Hong Kong, being a small open economy, is vulnerable to all of the above uncertainties.

In Hong Kong, the adverse impact of the interest rate hikes on the local economy was first seen in the price adjustments of the property market. The stock market was hit by the deteriorating market sentiment resulted from the tighter liquidity and the confrontation between China and the United States. Our core property business will undoubtedly be affected. The Group should act cautiously and prudently to cope with the challenges ahead.

## EMPLOYMENT AND REMUNERATION POLICIES

As at 30 September 2018, the Group had less than twenty employees and their remuneration is maintained at competitive levels. Total staff costs (including Directors' remuneration) amounted to HK$3.5 million (2017: HK$3.4 million). Remuneration policies are reviewed regularly by the Board and by the Remuneration Committee regarding Directors and senior management. Employees' salaries are determined on performance basis with reference to the market trend. In addition, discretionary bonuses are granted to eligible employees with reference to the Group's results and individual performance. Other benefits include education and training subsidies, medical and retirement benefits and paid leaves.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group is virtually debt-free and generally finances its operations with internally generated cash flows. The Group's cash and cash equivalents amounted to HK$312.9 million at 30 September 2018 (2017: HK$262.4 million). The Board believes that the Group has sufficient financial resources for its operations. The Group has no material exposure to foreign exchange rate fluctuation and material contingent liabilities.

## CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE REPORT

In the opinion of the Directors, the Company has complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "Code Provision(s)") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("the Listing Rules") throughout the six months ended 30 September 2018, except for the following deviations:

1. Under the Code Provision A.2.1, the roles of the Chairman and Chief Executive Officer ("CEO") should be separate and should not be performed by the same individual. Mr. Cheung Kee Wee is the Chairman of the Board and there is not a post of CEO in the Company. The roles of the CEO are performed by all the Executive Directors with clear division of responsibilities under the leadership of the Chairman. The Board considers that this arrangement allows contributions from all Executive Directors with different expertise and can ensure the balance of power and authority between the Board and the management of the Group. The Board therefore believes that this structure can enable the Group to make and implement decisions promptly and efficiently and is beneficial to the business prospect of the Group.

2. Under the Code Provision A.4.1, Non-executive Directors should be appointed for a specific term and subject to re-election. All the four Non-executive Directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting of the Company ("AGM") in accordance with Article 99(A) of the Company's Articles of Association. There are seven Directors including four Non-executive Directors of the Company for the time being. As one-third of them shall retire from office by rotation at each AGM, each of them shall retire at least once every three years.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors (the "Model Code") set out in Appendix 10 to the Listing Rules as its Code of Conduct for dealing in securities of the Company by the Directors. All Directors of the Company have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the six months ended 30 September 2018.

## AUDIT COMMITTEE

The Audit Committee consists of the three Independent Non-executive Directors, namely Messrs Lam Hon Keung, Keith (Chairman), Chan Woon Kong and Au-Yang Cheong Yan, Peter and one Non-executive Directors, namely Mr. Ng Kwok Tung. The Group's interim results for the six months ended 30 September 2018 have been reviewed by the Audit Committee of the Company and by the Company's Auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee has no reservation on the accounting treatments adopted by the Group.

## PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's issued shares during the period.

## INTERIM REPORT

The interim report of the Company for the six months ended 30 September 2018 will be published and dispatched to the equity holders of the Company in late December 2018.

## BOARD OF DIRECTORS

As at the date of this announcement, the Board of Directors comprises Messrs Cheung Kee Wee, Cheung Lin Wee and Cheung Ying Wai, Eric as Executive Directors, Mr. Ng Kwok Tung as a Non-executive Director and Messrs Lam Hon Keung, Keith, Chan Woon Kong and Au-Yang Cheong Yan, Peter as Independent Non-executive Directors.

By Order of the Board
**Wah Ha Realty Company Limited**
**Raymond W. M. Chu**
Company Secretary

Hong Kong, 29 November 2018