PT INTERNATIONAL DEVELOPMENT CORPORATION LIMITED

保 德 國 際 發 展 企 業 有 限 公 司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 372)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH, 2019

RESULTS

The board of directors (the "**Board**") of PT International Development Corporation Limited (the "**Company**") is pleased to announce the consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31st March, 2019, together with comparative figures, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March, 2019

	Notes	2019 HK$'000	2018 HK$'000
Revenue	3		
Goods and services		**1,775,102**	1,973,954
Interest		**7,682**	5,441
Rental		**2,996**	4,973
Total revenue		**1,785,780**	1,984,368
Cost of sales		**(1,766,242)**	(1,970,005)
Other income, other gains and losses		**35,855**	4,910
Net gain (loss) on financial instruments	4	**380,043**	(1,207)
Net (decrease) increase in fair values of investment properties		**(18,142)**	29,199
Administrative expenses		**(53,078)**	(35,981)
Finance costs		**(406)**	(412)
Loss on net decrease in interest in an associate	9(b)	**–**	(146,443)
Share of results of associates		**11,637**	102,865
Impairment loss on interest in an associate		**(100,000)**	–
Profit (loss) before taxation	5	**275,447**	(32,706)
Taxation	6	**1,751**	(4,300)
Profit (loss) for the year		**277,198**	(37,006)

* *For identification purpose only*

	Note	2019 HK$'000	2018 HK$'000
Other comprehensive (expenses) income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(5,263)**	2,614
Share of other comprehensive (expenses) income of associates		**(35,388)**	35,024
Reclassification adjustments:			
– reserves released on net decrease in interests in associates		**–**	(5,666)
– reserves released on disposal of subsidiaries		**(6,062)**	–
Items that will not be reclassified to profit or loss:			
(Loss) gain on revaluation of land and buildings		**(1,794)**	3,910
Share of other comprehensive expenses of associates		**(14,416)**	(14,664)
Deferred tax arising on revaluation of land and buildings		**242**	(644)
Other comprehensive (expenses) income for the year		**(62,681)**	20,574
Total comprehensive income (expenses) for the year		**214,517**	(16,432)
Profit (loss) for the year attributable to:			
Owners of the Company		**277,056**	(36,828)
Non-controlling interests		**142**	(178)
		277,198	(37,006)
Total comprehensive income (expenses) for the year attributable to:			
Owners of the Company		**214,375**	(16,254)
Non-controlling interests		**142**	(178)
		214,517	(16,432)
		HK cents	*HK cents*
Earnings (loss) per share	*8*		
Basic		**13.73**	(2.16)
Diluted		**13.73**	(2.16)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March, 2019

	Notes	2019 HK$'000	2018 HK$'000
Non-current assets			
Property, plant and equipment		**2,724**	10,101
Investment properties		**–**	71,997
Interests in associates	*9*	**547,145**	709,232
Debt instrument at amortised cost	*10*	**200,000**	–
Financial assets at fair value through profit or loss	*11*	**551,725**	–
Convertible note		**–**	13,596
		1,301,594	804,926
Current assets			
Inventories		**1,094**	3,927
Debtors, deposits and prepayments	*12*	**32,266**	132,614
Loans receivable	*13*	**39,000**	200,000
Equity investments held for trading		**6,572**	4,992
Short-term bank deposits, bank balances and cash		**65,553**	281,996
		144,485	623,529
Assets classified as disposal group held for sale	*14*	**42,086**	–
		186,571	623,529
Current liabilities			
Creditors and accrued expenses	*15*	**3,609**	119,963
Tax payable		**331**	–
Bank and other borrowings – due within one year		**–**	7,157
		3,940	127,120
Liabilities classified as disposal group held for sale	*14*	**6,818**	–
		10,758	127,120
Net current assets		**175,813**	496,409
Total assets less current liabilities		**1,477,407**	1,301,335

	2019	2018
	HK$'000	*HK$'000*
Non-current liabilities		
Bank and other borrowings – due over one year	**–**	7,120
Deferred tax liabilities	**–**	7,159
	–	14,279
Net assets	**1,477,407**	1,287,056
Capital and reserves		
Share capital	**20,183**	20,183
Share premium and reserves	**1,452,425**	1,261,970
Equity attributable to the owners of the Company	**1,472,608**	1,282,153
Non-controlling interests	**4,799**	4,903
Total equity	**1,477,407**	1,287,056

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2019

1. 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 "**HKICPA**"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "**Listing Rules**") and by the Hong Kong Companies Ordinance.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**")

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time in the current year:

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

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's performance and financial positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

HKFRS 15 "Revenue from Contracts with Customers"

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 "Revenue", HKAS 11 "Construction Contracts" and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1st April, 2018. Any difference at the date of initial application is recognised in the opening accumulated profits and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1st April, 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 "Revenue" and HKAS 11 "Construction Contracts" and the related interpretations.

The Group recognises revenue from the following major sources:

- Trading income
- Management and other related service income
- Interest income from provision of finance
- Interest income from investments
- Property rental income
- Others

Except for revenue in respect of trading of commodities and the provision of management and other related services that arise from contracts with customers and fall within the scope of HKFRS 15, other revenue streams fall outside the scope of HKFRS 15. Revenue from trading of commodities is recognised at a point in time, and revenue from the provision of management and other related services is recognised over time.

Under HKFRS 15, revenue from trading of commodities is recognised at a point in time when the control of the goods is transferred to the customers upon delivery of the goods, which is the same as the revenue recognition used under HKAS 18. Revenue from the provision of management and other related services is recognised over time using the input method under HKFRS 15, which is similar to the pattern of revenue recognition used under HKAS 18. Accordingly, except for the impact arising from the Group's associate as described below, the application of HKFRS 15 does not have a material impact on the opening accumulated profits of the Group as at 1st April, 2018.

The Group is engaged in the trading of commodities. Upon application of HKFRS 15, the Group reassessed the principal versus agent considerations based on the requirements in HKFRS 15 and concluded that the Group continues to act as the principal for such transactions as the Group has the performance obligation to provide the specified goods itself and it controls the specified goods before they are transferred to the customers.

Summary of effects arising from initial application of HKFRS 15

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1st April, 2018. Line items that were not affected by the changes have not been included.

	Notes	Carrying amounts previously reported at 31st March, 2018	Reclassification	Remeasurement	Carrying amounts under HKFRS 15 at 1st April, 2018*
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Non-current asset					
Interests in associates	*(a)*	709,232	–	(19,802)	689,430
Current liabilities					
Creditors and accrued expenses	*(b)*	119,963	(109,153)	–	10,810
Contract liabilities	*(b)*	–	109,153	–	109,153
Capital and reserves					
Share premium and reserves	*(a)*	1,261,970	–	(19,802)	1,242,168

Notes:

(a) In relation to construction contracts previously accounted under HKAS 11, an associate of the Group changed to apply input method in estimating the performance obligations satisfied up to date of initial application of HKFRS 15. The net effect arising from the initial application of HKFRS 15 resulted in a decrease in the carrying amount of interests in associates of HK$19,802,000 with corresponding adjustments to reserves.

(b) As at 1st April, 2018, advances from customers of HK$109,153,000 received in advance in respect of contracts for delivery for commodities products previously included in creditors and accrued expenses were reclassified to contract liabilities.

* The amounts in this column are before the adjustments from the application of HKFRS 9 (2014).

The following table summarises the impacts of applying HKFRS 15 on the Group's consolidated statement of financial position as at 31st March, 2019 and its consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows for the current year for each of the line items affected. Line items that were not affected by the changes have not been included.

Impact on the consolidated statement of financial position

	As reported	Adjustment	Amounts without application of HKFRS 15
	HK$'000	*HK$'000*	*HK$'000*
Non-current asset			
Interests in associates	547,145	17,556	564,701
Capital and reserves			
Share premium and reserves	1,452,425	17,556	1,469,981

Impact on the consolidated statement of profit or loss and other comprehensive income

	As reported	Adjustment	Amounts without application of HKFRS 15
	HK$'000	*HK$'000*	*HK$'000*
Share of results of associates	11,637	(2,245)	9,392
Profit before taxation	275,447	(2,245)	273,202
Profit for the year	277,198	(2,245)	274,953
Total comprehensive income for the year	214,517	(2,245)	212,272

Notes:

SIn relation to construction contracts previously accounted under HKAS 11, an associate of the Group changed to apply input method in estimating the performance obligations satisfied up to date of initial application of HKFRS 15. The net effect arising from the application of HKFRS 15 resulted in an accumulated decrease of HK$17,556,000 in the carrying amount of interests in associates at 31st March, 2019, of which HK$17,561,000 has been charged to accumulated profits and HK$5,000 has been credited to translation reserve. Meanwhile, the application of HKFRS 15 resulted in an increase of HK$2,245,000 in share of results of associates for the current year.

Other than as disclosed above, the application of HKFRS 15 does not have other significant impacts on the consolidated financial position and/or consolidated financial performance of the Group.

HKFRS 9 (2014) "Financial Instruments" and the related amendments

HKFRS 9 introduces new requirements for (i) the classification and measurement of financial assets and financial liabilities, (ii) expected credit losses ("ECL") for financial assets and other items; and (iii) general hedge accounting. In particular, HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets and had been early adopted by the Group with a date of initial application on 1st April, 2014.

Except for those relating to classification and measurement of financial assets covered in HKFRS 9 (2009) which has been early adopted by the Group, the Group has applied HKFRS 9 (2014) and the related consequential amendments to HKFRSs in the current year. The impairment requirements under HKFRS 9 (2014) are applied retrospectively to instruments that have not been derecognised as at 1st April, 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1st April, 2018. The differences between carrying amounts as at 31st March, 2018 and the carrying amounts as at 1st April, 2018, if any, are recognised in the opening accumulated profits and other components of equity, without restating comparative information. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 "Financial Instruments: Recognition and Measurement".

Summary of effects arising from initial application of HKFRS 9

As at 1st April, 2018, the directors of the Company reviewed and assessed the Group's existing financial assets for impairment using reasonable and supportable information that is available without undue cost of effort in accordance with the requirements of HKFRS 9 (2014), and determined that the accumulated amount of impairment loss on the Group's financial assets is not significantly different as compared to the accumulated amount recognised under HKAS 39.

Interests in associates

The initial application of HKFRS 9 (2014) resulted in a decrease in the carrying amount of interests in associates of HK$4,871,000 with corresponding adjustments to accumulated profits of HK$4,871,000 as at 1st April, 2018 primarily arising from additional loss allowances recognised under ECL model.

Impact on opening consolidated statement of financial position arising from application of new standards

As a result of the changes in the Group's accounting policies above, the opening consolidated statement of financial position had to be restated. The following table shows the adjustments recognised for each of the line items affected. Line items that were not affected by the changes have not been included.

	31st March, 2018 (audited)	**HKFRS 15**	**HKFRS 9 (2014)**	**1st April, 2018 (restated)**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Non-current asset				
Interests in associates	709,232	(19,802)	(4,871)	684,559
Current liabilities				
Creditors and accrued expenses	119,963	(109,153)	–	10,810
Contract liabilities	–	109,153	–	109,153
Capital and reserves				
Share premium and reserves	1,261,970	(19,802)	(4,871)	1,237,297

3. REVENUE AND SEGMENT INFORMATION

Revenue

For the year ended 31st March, 2019

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

	2019
	HK$'000
Revenue from contracts with customers	
– Trading income	1,772,410
– Management and other related service income	2,692
	1,775,102
Interest revenue:	
– Interest income from provision of finance	3,370
– Interest income from investments	4,312
	7,682
Rental income	
– Property rental income	2,983
– Others	13
	2,996
	1,785,780

Disaggregation of revenue from contracts with customers

	2019
	HK$'000
Types of goods or services	
Trading income	
– Metals	**1,730,032**
– Fisheries	**40,050**
– Agricultural products	**2,328**
	1,772,410
Management and other related service income	**2,692**
	1,775,102
Geographical location	
Hong Kong	**1,141,231**
The People's Republic of China (the "**PRC**"), excluding Hong Kong	**620,649**
Canada	**2,692**
Sir Lanka	**10,530**
	1,775,102

Upon initial application of HKFRS 15 on 1st April, 2018 as set out in note 2, revenue from trading of commodities is recognised at a point in time when the control of the goods is transferred to the customers upon delivery of the goods, which is the same as the revenue recognition used under HKAS 18. Revenue from the provision of management and other related services is recognised over time using the input method under HKFRS 15, which is the similar to the pattern of revenue recognition used under HKAS 18.

Revenue from trading of commodities are either receipt in advance in full or are granted with an average credit term of 90 days. For management and other related services, the credit terms normally ranged from 30 days to 90 days.

For the year ended 31st March, 2018

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

	2018
	HK$'000
Trading income	1,970,638
Management and other related service income	3,316
Interest income from provision of finance	4,104
Interest income from investments	1,337
Property rental income	4,800
Others	173
	1,984,368

Segment information

The Group's operating segments, based on information reported to the chief operating decision maker ("**CODM**"), being the Executive Directors of the Company, for the purposes of resources allocation and performance assessment are as follows:

Trading	–	trading of commodities
Finance	–	loan financing services
Long-term investment	–	investments including convertible notes and other long-term debt instruments and equity investments
Other investment	–	investment in trading of securities
Others	–	leasing of investment properties, leasing of motor vehicles and management services

Information regarding the above operating segments, which are also reportable segments of the Group, is reported below.

Segment revenue and results

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

For the year ended 31st March, 2019

	Trading	Finance	Long-term investment	Other investment	Others	Segment total	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
SEGMENT REVENUE								
External sales	**1,772,410**	**3,370**	**4,312**	**–**	**5,688**	**1,785,780**	**–**	**1,785,780**
RESULTS								
Segment results	**(2,296)**	**1,571**	**384,437**	**(82)**	**(21,375)**	**362,255**	**–**	**362,255**
Central administration costs								**(32,850)**
Other income, other gains and losses								**34,811**
Finance costs								**(406)**
Share of results of an associate – share of results								**11,637**
Impairment loss on interest in an associate								**(100,000)**
Profit before taxation								**275,447**

For the year ended 31st March, 2018

	Trading	Finance	Long-term investment	Other investment	Others	Segment total	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
SEGMENT REVENUE								
External sales	1,970,638	3,910	1,086	251	8,483	1,984,368	–	1,984,368
Inter-segment sales	–	177	–	–	–	177	(177)	–
Total	1,970,638	4,087	1,086	251	8,483	1,984,545	(177)	1,984,368
RESULTS								
Segment results	633	3,180	1,022	(380)	30,969	35,424	–	35,424
Central administration costs								(28,519)
Other income, other gains and losses								4,379
Finance costs								(412)
Loss on net decrease in interest in an associate								(146,443)
Share of results of associates – share of results								102,865
Loss before taxation								(32,706)

Inter-segment sales are charged at prevailing market rates or at terms determined and agreed by both parties.

Segment result represents the result of each segment without allocation of central administration costs, including directors' salaries, certain other income, other gains and losses, finance costs and items related to interests in associates.

Geographical information

The Group's operations are located in Hong Kong, the PRC, Canada and Sri Lanka.

Information about the Group's revenue from external customers or counterparties is presented based on the locations of transactions conducted.

	2019	2018
	HK$'000	*HK$'000*
Hong Kong	**1,148,395**	1,963,966
The PRC, excluding Hong Kong	**620,649**	10,982
Canada	**6,206**	9,219
Sri Lanka	**10,530**	201
	1,785,780	1,984,368

4. NET GAIN (LOSS) ON FINANCIAL INSTRUMENTS

	2019	2018
	HK$'000	*HK$'000*
Increase in fair values of financial assets at fair value through profit or loss	**380,125**	–
Increase (decrease) in fair values of equity investments held for trading, realised	**117**	(588)
Decrease in fair value of equity investments held for trading, unrealised	**(199)**	(5)
Decrease in fair value of convertible note	**–**	(574)
Decrease in fair value of debt instruments	**–**	(40)
	380,043	(1,207)

5. PROFIT (LOSS) BEFORE TAXATION

	2019	2018
	HK$'000	*HK$'000*
Profit (loss) before taxation has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**1,798**	1,691
Minimum lease payments under operating leases in respect of rented premises	**9,658**	5,889
Cost of inventories recognised as an expense	**1,766,242**	1,970,005
Gain on disposal of subsidiaries	**(34,605)**	(3,356)
Gain on disposals of property, plant and equipment	**(102)**	(526)

6. TAXATION

	2019	2018
	HK$'000	*HK$'000*
Current tax		
PRC Enterprise Income Tax ("**EIT**")	**436**	–
Deferred tax:		
(Credit) charge for the year	**(2,187)**	3,386
Attributable to a change in tax rate	**–**	914
	(2,187)	4,300
Tax (credit) charge	**(1,751)**	4,300

On 21st March, 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28th March, 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of the qualifying group entity will be taxed at 8.25% and profits above HK$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits arising in Hong Kong for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, PRC EIT is calculated at 25% of the assessable profits for the subsidiaries in the PRC. No provision for EIT was made for the year ended 31st March, 2018 as the relevant subsidiary had no assessable profits under PRC EIT.

The Group's operations in Canada are subject to corporation income tax rate at 27% (2018: 27%). Deferred tax has been recognised on the revaluation of properties located in Canada. As a result of the increase in the applicable corporation income tax rate from 26% to 27% with effect from 1st January, 2018, deferred tax liabilities recognised in relation to the Group's revaluation of properties in Canada have been adjusted for the year ended 31st March, 2018.

Taxation in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. No provision for income tax has been made as the relevant subsidiaries had no relevant assessable profits.

7. DISTRIBUTIONS

The directors of the Company have resolved not to recommend the payment of a final dividend for the year ended 31st March, 2019 (2018: nil).

8. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

	2019	2018
	HK$'000	*HK$'000*
Profit (loss) for the year attributable to the owners of the Company for the purpose of basic earnings (loss) per share	**277,056**	(36,828)
Effect of dilutive potential ordinary shares:		
Adjustment to the share of results of an associate based on dilution of its earnings per share	**–**	(3)
Profit (loss) for the year attributable to the owners of the Company for the purpose of diluted earnings (loss) per share	**277,056**	(36,831)

	Number of shares	
	2019	2018
Weighted average number of shares for the purposes of basic and diluted earnings (loss) per share	**2,018,282,827**	1,702,748,580

For the year ended 31st March, 2019, the computation of diluted earnings per share does not assume the exercise of the share options and warrants of the Group's associates, as appropriate, since their assumed exercise would result in an increase in earnings per share (2018: a decrease in loss per share).

9. INTERESTS IN ASSOCIATES

	2019	2018
	HK$'000	*HK$'000*
Share of consolidated net assets of associates:		
– listed in Hong Kong	**1,030,968**	1,093,055
– listed overseas	**–**	–
Goodwill	**1,177**	1,177
	1,032,145	1,094,232
Accumulated impairment losses recognised	**(485,000)**	(385,000)
	547,145	709,232
Market value of listed securities:		
Hong Kong	**178,828**	189,270
Overseas	**–**	31,163
	178,828	220,433

As at 31st March, 2018, the Group held 22.45% equity interests in a listed associate, Burcon Nutra Science Corporation ("**Burcon**"). Burcon is listed in Canada and Germany and is engaged in investment holding in company engaged in the development of commercial plant protein. The carrying value of the Group's interest in Burcon as at 31st March, 2018 was nil as a result of share of losses in prior years.

On 28th September, 2018, the Group disposed of its entire equity interests in two subsidiaries which are mainly engaged in investment holding in equity interests in Burcon and a convertible note issued by Burcon for an aggregate consideration of HK$34,732,000. Upon completion of the disposal, the Group no longer has equity interests in Burcon and Burcon ceased to be the Group's associate.

(a) Assessment for impairment of an associate

As at 31st March, 2019, as the carrying value of the Group's interest in an associate listed in Hong Kong (i.e PYI Corporation Limited ("**PYI**")) is higher than the market value of its listed securities, the directors of the Company have assessed the recoverable amount of the interest in the associate using value in use calculations for the assessment of impairment on the interest in associate.

In determining the estimated value in use of the interest in associate, the directors of the Company estimated the present value of the estimated future cash flows expected to arise from dividends to be received from its associate and from its ultimate disposal using a discount rate of 7% (2018: 8%) per annum. As a result of the impairment assessment, a further impairment loss of HK$100,000,000 (2018: nil) was recognised in profit or loss during the year ended 31st March, 2019. The accumulated impairment losses recognised in respect of the Group's interest in the associate as at 31st March, 2019 amounted to HK$485,000,000 (2018: HK$385,000,000).

(b) Decrease in interest in PYI during the year ended 31st March, 2018

The loss for the year ended 31st March, 2018 was mainly resulted from the deemed disposal of partial interests in associates which was resulted from the dilution effect of exercise of share options and share placements by the associates.

In May 2017, PYI, the Group's associate, placed 915,470,000 new shares at a price of HK$0.156 per share to not less than six independent third parties (the "PYI Placing"). The PYI Placing and exercise of PYI share options resulted in a loss on decrease in interest in PYI of HK$144,217,000 and HK$2,226,000 respectively during the year ended 31st March, 2018. The Group's interest in PYI decreased from approximately 28.45% at 31st March, 2017 to approximately 23.65% at 31st March, 2018.

10. DEBT INSTRUMENT AT AMORTISED COST

In April 2018, the Group entered into a subscription agreement with a third party pursuant to which the Group as subscriber agreed to subscribe and the third party as issuer (the "**Issuer**") agreed to allot and issue 100 preference shares at a total subscription price of HK$200,000,000. The preference shares confer the Group the right to receive cumulative fixed preferential dividend at the rate of 2% per annum of the subscription price up to the redemption date of 16th April, 2020. The preference shares are guaranteed by the sole shareholder (the "**Guarantor**") of the Issuer who has executed a share charge in favour of the Group relating to all shares of the Issuer.

As the Guarantor is indebted to the Group in the amount of HK$200,000,000 (included as loans receivable as at 31st March, 2018), the subscription price for the preference shares have been settled by way of offsetting the loan due by the Issuer (as novated from the Guarantor to the Issuer pursuant to a deed of novation) to the Group. Accordingly, the loans receivable has been fully offset during the year ended 31st March, 2019.

The preference shares are held within a business model whose objective is to hold the preference shares in order to collect contractual cash flows, and the contractual terms of the preference shares give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Accordingly, the preference shares subscribed are accounted for as a debt instrument measured at amortised cost in accordance with HKFRS 9.

During the year ended 31st March, 2019, dividends arising on the preference shares amounting to HK$3,836,000 are recognised in profit or loss as interest income from investments (included in revenue).

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2019	2018
	HK$'000	*HK$'000*
Unlisted fund *(Note (a))*	**536,125**	–
Unlisted equity investment *(Note (b))*	**15,600**	–
	551,725	–

Notes:

(a) Unlisted fund

On 21st June, 2018, the Group entered into a subscription agreement with certain independent third parties pursuant to which the Group agreed to subscribe for shares of a private equity fund established in Korea (the "**Fund**"), as a limited partner, for an aggregate consideration of US$20,000,000 (equivalent to approximately HK$156,000,000) in cash. The Fund principally invests in shares of companies listed on the Korea Exchange. The Fund is managed by a fund manager, while limited partners of the Fund do not have rights to engage in the management of the Fund. The Group, as a limited partner in the Fund, does not have the power to participate in the financial and operating policy decisions of the Fund. As such, the Group does not have significant influence over the Fund and the Fund is not accounted for as an associate. The shares of the Fund held by the Group represent approximately 29.71% of the issued share capital of the Fund as at 31st March, 2019.

The Fund is accounted for as a financial asset at fair value through profit or loss in accordance with HKFRS 9. As at 31st March, 2019, the fair value of the Fund is HK$536,125,000. During the year ended 31st March, 2019, fair value gains of HK$380,125,000 was recognised in profit or loss. In the opinion of the directors of the Company, the Fund is held for long-term strategic investment purposes and as such, the investment is classified as non-current.

(b) Unlisted equity investment

In December 2018, the Group entered into a subscription agreement pursuant to which the Group agreed to subscribe for shares of an exempted limited partnership incorporated in Cayman Islands (the "**Investment**"), as a limited partner, for an aggregate consideration of US$2,000,000 (equivalent to approximately HK$15,600,000) in cash. The Investment principally invests in private entities engaged in K-pop academy and agency business in Korea. The Group, as a limited partner in the Investment, does not have the power to participate in the financial and operating policy decisions of the Investment. As such, the Group does not have significant influence over the Investment and the Investment is not accounted for as an associate. The subscription was completed in January 2019. The shares of the Investment held by the Group represent 20% of the issued share capital of the Investment as at 31st March, 2019.

The Investment is accounted for as a financial asset at fair value through profit or loss in accordance with HKFRS 9. As at 31st March, 2019, the fair value of the Investment is HK$15,600,000. No fair value gain/loss was recognised in profit or loss during the year ended 31st March, 2019. In the opinion of the directors of the Company, the Investment is held for long-term strategic investment purposes and as such, the Investment is classified as non-current.

12. DEBTORS, DEPOSITS AND PREPAYMENTS

	2019	2018
	HK$'000	*HK$'000*
Trade debtors		
– goods and services	**1,932**	623
– interest	**4,170**	734
	6,102	1,357
Prepayments to suppliers	**1,025**	95,543
Prepaid expenses, deposits and other receivables	**25,139**	35,714
Other debtors, deposits and prepayments	**26,164**	131,257
	32,266	132,614

As at 31st March, 2018 and 1st April, 2018, trade debtors from contracts with customers amounted to HK$623,000.

Trade debts arising from commodities trading are either receipt in advance or are granted with credit terms up to 90 days. The credit terms granted by the Group to other trade debtors normally ranged from 30 days to 90 days. For interest receivable, there are no credit terms granted by the Group.

The following is an aged analysis of trade debtors presented based on the invoice/delivery notes date at the end of the reporting period:

	2019	2018
	HK$'000	*HK$'000*
Trade debtors		
0 – 30 days	**4,901**	1,357
31 – 60 days	**224**	–
61 – 90 days	**106**	–
Over 90 days	**871**	–
	6,102	1,357

No trade debtors were past due but not impaired as at 31st March, 2018.

13. LOANS RECEIVABLE

	2019	2018
	HK$'000	*HK$'000*
Secured	**39,000**	200,000

The loans receivable carries fixed interests at contractual interest rates (which are also equal to the effective interest rates) at 10% (2018: 2% per annum) and are repayable within one year (2018: repayable within one year).

The loans receivable at 31st March, 2019 and 2018 were respectively secured by share charges relating to shares in entities independent of the Group.

As at 31st March, 2019, the loan receivable of HK$39,000,000 (2018: nil) was denominated in United States dollars ("**US$**").

The loan receivable amounting to HK$200,000,000 as at 31st March, 2018 has been settled during the year ended 31st March, 2019 pursuant to a deed of novation in fulfilment for the subscription price of the debt instrument as disclosed in note 10.

14. DISPOSAL GROUP HELD FOR SALE

At 31st March, 2019, the Group is in the process of disposing of its entire equity interests in certain subsidiaries that are principally engaged in the holding of an office premise in Canada for own use, and to earn rentals, and the provision of management and other related services. Negotiations with an interested party have already taken place, and the directors of the Company are committed to sell the equity interest in the subsidiaries within twelve months from end of the reporting period. The assets and liabilities attributable to the subsidiaries have been reclassified as a disposal group held for sale and are presented separately in the consolidated statement of financial position. The subsidiaries are included in "others" for segment reporting purposes (see note 3). The net results of the proceeds of disposal are expected to be HK$35,268,000, which is the same as the net carrying amount of the relevant assets and liabilities of the subsidiaries. Accordingly, no impairment losses have been recognised.

Subsequent to the end of the reporting period, the disposal of the subsidiaries has been completed.

15. CREDITORS AND ACCRUED EXPENSES

	2019	2018
	HK$'000	*HK$'000*
Trade creditors	**523**	651
Receipt in advance	**–**	109,153
Other payables and accrued expenses	**3,086**	10,159
Other creditors and accrued expenses	**3,086**	119,312
	3,609	119,963

The following is an aged analysis of trade creditors presented based on the invoice/delivery notes date at the end of the reporting period:

	2019	2018
	HK$'000	*HK$'000*
0 – 30 days	**257**	632
31 – 60 days	**221**	19
Over 90 days	**45**	–
	523	651

The credit periods on purchases of goods ranged from 10 to 90 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Review of Financial Performance

For the year ended 31st March, 2019, the Group continued to principally engage in the businesses of investment holding, comprising strategic investments in PYI, investments in other financial assets and securities, provision of finance, and property investments, and trading business of commodities.

For the year ended 31st March, 2019, the Group's revenue decreased to HK$1,785,780,000 (2018: HK$1,984,368,000).

For the current year, the Group reported a profit of HK$277,056,000 attributable to the owners of the Company (2018: loss of HK$36,828,000) and basic earnings per share of HK13.73 cents (2018: basic loss per share of HK2.16 cents). The current year gain was mainly due to (a) the fair value gain of a financial instrument, in particular, the Group's investment in AFC Mercury Fund with a gain of HK$380,125,000, (b) a gain recognised from the disposal of two subsidiaries with a gain of HK$27,492,000; partially offset by an impairment loss on interest in the Group's associate, PYI .

Listed Strategic Investments

PYI

Based in Hong Kong, PYI focuses on ports and infrastructure development and investment, and the operation of ports and logistics facilities, in the Yangtze River region of China. It also engages in land and property development and investment in association with ports and infrastructure development, as well as securities and treasury investment. In addition, PYI provides comprehensive engineering and property-related services through its associate Paul Y. Engineering Group Limited.

PYI recorded a profit attributable to the owners of HK$49,208,000 for the current year. The Group shared a profit of HK$11,637,000 (2018: share of loss of HK$109,115,000) from PYI for the current year.

The Group's interest in PYI is approximately 23.65% at 31st March, 2019 and 2018.

Provision of Finance

For the year ended 31st March, 2019, the Group's finance operation continued to contribute a profitable segment result of HK$1,571,000 (2018: HK$3,180,000) which decreased by 51% compared to last year. As at 31st March, 2019, the loans portfolio held by the Group amounted to HK$39,000,000 (2018: HK$200,000,000).

On 1st June, 2018, PT Credit Limited, a wholly-owned subsidiary of the Company, as lender (the "**Lender**") entered into a loan agreement (the "**Loan Agreement**") with an independent third party, Eastern Yangtze Development (HK) Limited (the "**Borrower**"), agreed to provide a loan in the principal amount of US$ 6,000,000 at an interest rate of 10% per annum (the "**Loan**"), and simultaneously entered into a participation agreement with an independent third party (the "**Participant**"), pursuant to which the Participant participated in the Loan in the principal amount of US$1,000,000. The Loan was secured with a share charge on all the issued shares of the Borrower and a debenture over all the undertaking, property, assets, goodwill, rights and revenues of the Borrower.

The Borrower is a limited liability company incorporated in Hong Kong with a wholly-owned subsidiary in the PRC which is in the course of setting up infrastructure for operating chemical storages in the Yangtze River Delta, and has an international management team with vast industry experience, including the former Head of China of a leading international petrochemical group operating in the PRC.

Commodities Trading

During the current year, the Group continued its trading business which focuses on the trading of commodities including copper cathodes, nickel briquettes and fishery products. The business generated a revenue of HK$1,772,410,000 (2018: HK$1,970,638,000) and recorded a segment loss of HK$2,296,000 (2018: profit of HK$633,000).

In light of the continuous growth of the Chinese economy, the Group is of the view that market demand for metal products will continue to grow. During the current year, the Group maintained the metal trading businesses in Hong Kong and the PRC.

Shanghai Metal Products Business

During the current year, the revenue arising from Bao Sheng (Shanghai) Trading Company*, an indirectly wholly owned subsidiary of the Company was approximately HK$620,649,000 (2018: HK$10,955,000).

This business segment is operated by an experienced management team located in Shanghai, with extensive and unique experience in the field of metal trading. The metal trading business generated a sizable revenue and market share for the current year of operation, and it also remains one of the main sources of income for the Group. The Group expects that revenue from this metal trading business will continue to grow, mainly attributable to the increasing market demand for metal and energy in the PRC, which will in turn boost the revenue of the Group from metal and energy trading.

During the current year, the revenue arising from Ko Bon Metal Power Limited, an indirectly wholly owned subsidiary of the Company, was approximately HK$1,109,383,000 (2018: HK$1,261,349,000).

* *For identification purpose only*

Sri Lanka Fishery Business

Regarding the fishery business, the Group had set up a wholly-owned subsidiary in Sri Lanka managed by a management team with dynamic and abundant experience. The subsidiary has prepared sufficient cold storage space, and is in the process of setting up the processing line, packaging factory and distribution center for its active development of fishery projects. Sri Lanka has the premium geographical location, plentiful resources and excellent natural environment for fishery business. It also has exclusive fishing and economic rights for an ocean area of 500,000 square kilometers and a coastal line of 1,700 km in addition to inland water bodies which makes fishery to be one of the promising industries in the country.

Under the One Belt One Road ("**OBOR**") strategy, the PRC government vigorously promotes the integration and development of fishery industry with the goal of enhancing quality and efficiency, increasing income with smaller production scale, green development and enriching fishermen by effectively shifting the focus of fishery industry from quantitative growth and scale expansion to qualitative development and green development. To align with the OBOR strategy, we will continue to look for different opportunities on expanding our fishery business segment such as exploring suitable operating locations in the PRC.

In light of the above, the management expects that the commodities traded by the Group have good prospects and the trading business will continue to contribute profitable results in the future.

Long-term Investment

During the current year, the Group's long-term investment recorded a revenue of HK$4,312,000 (2018: HK$1,086,000) and a segment profit of HK$384,437,000 (2018: segment profit of HK$1,022,000). At 31st March, 2019, the Group's long-term investment amounted to HK$752,700,000 (2018: HK$13,596,000). The segment revenue and the segment profit for the current year was mainly attributed to the interest income from convertible note, the preference shares dividend from Thousand Vantage Investment Limited ("**Thousand Vantage**") and the unrealised gain from the AFC Mercury Fund.

In April 2018, PT OBOR Financial Holdings Limited, a wholly-owned subsidiary of the Company (the "**Subscriber**"), entered into a subscription agreement with Thousand Vantage, pursuant to which the Subscriber agreed to subscribe for, and Thousand Vantage agreed to allot and issue, 100 preference shares at the total subscription price of HK$200,000,000. The preference shares confer the Subscriber the right to receive cumulative fixed preferential dividend at the rate of 2% per annum of the subscription price. The preferential shares are guaranteed by Mr. Zhu Bin ("**Mr. Zhu**") who executed a share charge in favour of the Subscriber relating to all the shares of Thousand Vantage.

As Mr. Zhu was indebted to the Group in the amount of HK$200,000,000 (included as loans receivable as at 31st March, 2019), the subscription price for the preference shares was settled by way of offsetting the loan due by Thousand Vantage (as novated from Mr. Zhu to Thousand Vantage pursuant to a deed of novation) to the Group. Accordingly, the loan receivable has been fully repaid.

On 21st June, 2018, the Group entered into a subscription agreement with certain independent third parties pursuant to which the Group agreed to subscribe for shares of a private equity fund established in Korea (the "**Fund**"), as a limited partner, for an aggregate consideration of US$20,000,000 (equivalent to approximately HK$156,000,000) in cash. The Fund principally invests in shares of companies listed on the Korea Exchange, principally STX Corporation Limited. STX Corporation Limited is primarily engaged in the business of energy trading, commodity trading, machinery and engine trading, and shipping and logistics. The shares of the Fund held by the Group represent approximately 29.71% of the issued share capital of the Fund as at 31st March, 2019.

The Board is of the view that the investment was fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole. The Group has endeavoured in exploring opportunities for potential investments for business diversification, with a view to generating income and achieving better return for its Shareholders. The directors consider that the investment would provide the Group with an opportunity to diversify its investment portfolio and hence a diversified return.

On 28th September, 2018, the Group was no longer interested in Great Intelligence Limited, Large Scale Investment Limited, which are mainly engaged in investment holding in equity interest in Burcon and convertible note issued in Burcon, and the Company recorded a gain on the disposal of approximately HK$27,492,000 which the directors are of the view that it can greatly enhance the cash flow of the Group and improve its financial strength and liquidity, and therefore would allow the Group to allocate more resources in exploring other potential business opportunities.

In December 2018, the Group entered into a subscription agreement with CEC Asia Media Group L.P. pursuant to which the subscriber agrees to subscribe into the fund as a limited partner for an aggregate consideration of US$2,000,000 in cash. The fund was organised primarily to invest in Global K Centre Limited and Lionheart Entertainment Asia Limited and other strategical investment in relation to media, artist and beauty training academy in South Korea.

Other Investment

During the current year, the Group's other investment contributed nil segment revenue (2018: HK$251,000) and a segment loss of HK$82,000 (2018: HK$380,000).

As at 31st March, 2019, the Group's equity investments portfolio amounted to HK$6,576,000 (2018: HK$4,999,000) and comprised of shares in a company listed in Hong Kong (2018: listed in Hong Kong).

Others

During the current year, the Group's other business contributed a segment revenue of HK$5,688,000 (2018: HK$8,483,000) and a segment loss of HK$21,375,000 (2018: profit of HK$30,969,000). At 31st March, 2019, the Group's other business mainly represented the leasing of investment properties and provision of management services. During the current year, the Group continues to receive a stable property rental income of HK$2,983,000 (2018: HK$4,800,000) from leasing of office premises and hotel strata lots located in Canada and management service income of HK$2,692,000 (2018: HK$3,316,000) from provision of property agency service in Canada. The segment loss for the current year was mainly due to a decrease in fair values of investment properties of HK$18,142,000 (2018: increase of HK$29,199,000).

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31st March, 2019, the Group has total assets of HK$1,488,165,000 (2018: HK$1,428,455,000) represented an increase of approximately 4% when compared with the last year. The increase was mainly due to an investment in a financial instrument.

During the current year, equity attributable to owners of the Company amounted to HK$1,472,608,000 (2018: HK$1,282,153,000), representing an increase of HK$190,455,000 or 15% as compared to 31st March, 2018 which was mainly due to the fair value gain of a financial instrument.

The Group continued to adopt a prudent funding and treasury policy to manage its liquidity needs. The objective is to maintain adequate funds for financing working capital and capture investment opportunities as and when they become available.

During the current year, current assets and current liabilities of the Group were HK$186,571,000 (2018: HK$623,529,000) and HK$10,758,000 (2018: HK$127,120,000) respectively. Accordingly, the Group's current ratio was about 17 (2018: 5).

Gearing Ratio

As at 31st March, 2019, the Group had bank deposits, bank balances and cash of HK$65,553,000 (2018: HK$281,996,000) and nil bank and other borrowings (2018: HK$14,277,000). The Group's gearing ratio was zero at 31st March, 2019 and 31st March, 2018 as the Group was in net cash position. The gearing ratio is calculated on the basis of net borrowings over the equity attributable to owners of the Company. Net borrowings are arrived at by deducting bank deposits, bank balances and cash from bank borrowings.

Foreign Currency Management

The monetary assets and liabilities as well as business transactions of the Group are mainly denominated in Hong Kong dollars, Canadian dollars, Renminbi and United States dollars. During the current year, the Group had not entered into any foreign currency forward contracts, currency swaps or other financial derivatives for hedging purposes. However, the management monitors foreign exchange exposure from time to time. Appropriate measures would be undertaken by the Group when exchange rate fluctuations become significant.

Pledge of Assets

As at 31st March, 2019, nil investment properties (2018: HK$17,694,000) were pledged by the Group to secure a bank loan granted to the Group.

Contingent Liabilities

As at 31st March, 2019, the Group had no significant contingent liabilities (2018: nil).

Capital Commitments

As at 31st March, 2019, the Group had no significant capital commitments (2018: nil).

Final Dividend

The Board has resolved not to recommend the payment of a final dividend for the year ended 31st March, 2019 (2018: nil).

EMPLOYEES AND REMUNERATION POLICY

As at 31st March, 2019, the Group had a total of 61 employees in Hong Kong, the PRC and Sri Lanka (2018: 30 employees). The Group's remuneration policy is to ensure that the Group's remuneration structure is appropriate and aligns with the Group's goals and objectives. The employees' remuneration is based on the employees' skill, knowledge and involvement in the Company's affairs and is determined by reference to the Company's performance, as well as remuneration benchmark in the industry and the prevailing market conditions. The ultimate objective of the remuneration policy is to ensure that the Group is able to attract, retain and motivate a high-calibre team which is essential to the success of the Company. The Group also offers benefits to employees including discretionary bonus, training and provident funds. The share option scheme of the Company is established for the eligible participants (including employees). No share options were granted during the current year and there were no outstanding share options as at 31st March, 2019 and as at the date of this announcement.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Group entered into a sale and purchase agreement pursuant to which the Group agreed to sell its entire equity interests in certain subsidiaries for a cash consideration of approximately Canadian Dollars 6,000,000 (representing approximately HK$35,268,000).

PROSPECTS

Global economic growth is being affected by the escalation of Sino-US trade disputes, which has resulted in weakened international trade flows and increased volatility in the world's financial markets. Despite this, the Group, through careful reallocation of assets was able to rise up to these challenges as evidenced by the implementation of the Group's new strategic initiatives.

In the current year, we have already disposed of most of our Canadian investments including our interest in Burcon and two properties in Vancouver and reallocated these funds for investment which has already generated profitable returns.

The Group remains confident and committed to the PRC government's OBOR initiative, which we believe will continue to help the long-term economic development of China and the participants of the initiative. We expect the OBOR will not only accelerate the development of the domestic economic system of China, but also enhance linkages among Asia, Europe, the Middle East, and Africa, strengthening economic partnership and cooperation in various regions. The Group will continue to strategize with plans to grow its businesses embracing the OBOR initiative.

Looking at the year ahead, the Sino-US trade disputes and geopolitical tensions are signaling slower global economic growth and financial markets are likely to remain volatile. In view of these likely events, the Group's management see opportunities emerging from potential changes in global trading patterns. The Group is likely to take the opportunity to re-evaluate its current portfolio and make the necessary adjustments to enhance profitability and maximize shareholder value.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the current year. There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company had complied with the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the the Listing Rules on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") throughout the year ended 31st March, 2019 except for the following deviations with reason as explained:

Code Provision A.2.1 – Chairman and Chief Executive

Under this code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Deviation

As Mr. Ching Man Chun, Louis, an Executive Director of the Company, has taken up the positions of the Chairman of the Board and the Managing Director of the Company with effect from 30th September, 2017. The Board considers that vesting the roles of chairman and chief executive in the same person enables more effective and efficient planning and implementation of business plans, the Board also believes that the balance of power and authority is adequately ensured.

Except as stated above, the Company has continued to comply with the applicable code provisions of the CG Code. The Board will continue to monitor and review the Company's corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has continued to adopt the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding securities transactions by the directors of the Company. All directors have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the current year. The Company has also continued to adopt a code of conduct governing securities transactions by employees and directors of the subsidiaries who may possess or have access to inside information relating to the Company or its securities.

AUDIT COMMITTEE

The Listing Rules require every listed issuer to establish an audit committee comprising at least three members who must be non-executive directors only, and the majority thereof must be independent non-executive directors, at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. The audit committee is accountable to the Board and the primary duties of the audit committee include the review and supervision of the Group's financial reporting process and internal controls.

During the year ended 31st March, 2019, the audit committee of the Company (the "**Audit Committee**") currently comprises three Independent Non-executive Directors and is chaired by Mr. Yeung Kim Ting. The other members are Mr. Wong Yee Shuen, Wilson and Mr. Yam Kwong Chun.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group, and discussed risk management, internal controls and financial reporting matters including a review of audited annual results of the Group for the year ended 31st March, 2019.

SCOPE OF WORK OF DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss other comprehensive income and the related notes thereto for the year ended 31st March, 2019 included in this preliminary results announcement have been agreed by the Group's auditor, Deloitte Touche Tohmatsu ("**Deloitte**"), to the amounts set out in the Group's audited consolidated financial statements for the current year.

The work performed by Deloitte 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 HKICPA, and consequently no assurance has been expressed by Deloitte on the preliminary announcement of results.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank the shareholders for their continuous support to the Company and extend my appreciation to all management and staff members for their contribution and dedication throughout the year.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is available for viewing on the website of the Stock Exchange at www.hkexnews.hk under "Listed Company Information" and on the website of the Company at www.ptcorp.com.hk under "Investor Relations". The annual report will be despatched to the shareholders of the Company and will also be available for viewing on the aforesaid websites in due course.

By Order of the Board
PT International Development Corporation Limited
Ching Man Chun, Louis
Chairman and Managing Director

Hong Kong, 26th June, 2019

As at the date of this announcement, the Board comprises four Executive Directors, namely, Mr. Ching Man Chun, Louis (Chairman and Managing Director), Mr. Sue Ka Lok, Ms. Xu Wei and Mr. Gary Alexander Crestejo; and three Independent Non-executive Directors, namely, Mr. Yam Kwong Chun, Mr. Yeung Kim Ting and Mr. Wong Yee Shuen, Wilson.