

TARGET

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**POKFULAM DEVELOPMENT COMPANY LTD:
THE COMPANY SUFFERED
A MATERIAL LOSS IN THE 2019/2020 FINANCIAL YEAR**

But The Payment Of The Dividend Remained Intact !

The Net Loss Attributable to Shareholders of Pokfulam Development Company Ltd (博富臨置業有限公司) (Code: 225, Main Board, The Stock Exchange of Hongkong Ltd) with regard to the Financial Year, ended September 30, 2020, was \$HK59,535,000.

That result was a decrease of 143.50 percent, compared with the Net Profit Attributable to Shareholders in respect of the preceding Financial Year, of \$HK136,847,000.

At Page Nine of the 2019/2020 Annual Report of the Company, Mr Abraham Wong Tat Chang (黃達漳), Chairman and Managing Director, clearly smarting on having to accept the Consolidated Statement of Profit or Loss and Other Comprehensive Income, prepared by independent pen-pushers, only, determined to have his say about the way in which the financial matters of the Company had panned out, during 2019/2020 Financial Year.

Thus, Mr Abraham Wong Tat Chang made the following pronouncements in the Company's Annual Report, under the subheading, '**RESULT FOR THE YEAR**':

'The consolidated net loss of the Company and its subsidiaries (collectively, the "Group") after taxation and non-controlling interests for the year ended 30 September 2020 was approximately HK\$59.5 million, as compared to approximately profit of HK\$136.9 million in the previous year. Such results took into account the following major non-operating items:

- A revaluation deficit of approximately HK\$114.0 million (2019: surplus of HK\$65.9 million) on investment properties;*
- Net revaluation losses of approximately HK\$11.6 million (2019: HK\$4.9 million) on securities investments and equity instruments;*
- Share of losses of joint ventures of approximately HK\$0.4 million (2019: HK\$3.4 million);*

- *Exchange gain on amount due from a joint venture of approximately HK\$3.3 million (2019: loss of HK\$2.2 million); and,*
- *Net provision for impairment losses in respect of expected credit losses on financial assets of approximately HK\$4.9 million (2019: HK\$3.0 million).*

‘If the above items and their net taxation expenses of approximately HK\$3.7 million (2019: HK\$0.4 million) were excluded, the operating net profit after taxation for the year would have been HK\$71.8 million (2019: HK\$84.9 million).

DIVIDEND

‘The Board (of Directors) has recommended the payment of a final dividend of HK34 cents per share in respect of the year ended 30 September 2020 to the shareholders of the Company (the “Shareholders”) whose names appear on the register of members of the Company on Monday, 8 February 2021. This proposed pay-out, together with the interim dividend of HK4 cents per share paid on 30 June 2020, would give a total dividend of HK38 cents per share for the whole financial year (2019: HK38 cents). Subject to the Shareholders’ approval at the annual general meeting of the Company to be held on Wednesday, 27 January 2021, it is expected that the final dividend would be paid to the Shareholders on Monday, 22 February 2021.’

Petulance?

Highly unlikely!

It was just Chairman’s Abraham Wong Tat Chang, putting things into the correct perspective (as he saw the situation through his rose-coloured spectacles) with regard to the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

And, then, satisfied with the wording of his missive, uniquely crafted by him, placated his loyal shareholders with a fat dividend.

One can never be quite certain, of course, however one cannot but ponder whether or not Chairman Abraham Wong Tat Chang was/is a student of the American Civil War (1861-1865).

In the words of Admiral James Glasgow Farragut, remembered for his memorable order at The Battle of Mobile Bay, during the American Civil War, a war that cost the lives of some 625,000 Americans, as at the time that he was just a Flag Officer of the United States Navy, was said to have ordered his ship, in words to the effect: ***‘Damn the torpedoes, full speed ahead!’***

This order, today, remains part of the US Navy’s tradition.

The 2019/2020 Annual Report Of Pokfulam Development Company Ltd

On Monday, December 14, 2020, the 2019/2020 Annual Report of Pokfulam Development Company Ltd was published and disseminated in the **Hongkong** Special Administrative Region (**HKSAR**) of the **People's Republic of China (PRC)**.

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