



WONDERFUL SKY FINANCIAL GROUP  
HOLDINGS LIMITED

皓天財經集團控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

Stock Code: 01260



Interim Report 2012

## CONTENTS

Corporate Information	2
Condensed Consolidated Statement of Comprehensive Income	3
Condensed Consolidated Statement of Financial Position	4
Condensed Consolidated Statement of Cash Flows	5
Condensed Consolidated Statement of Changes in Equity	6
Notes to the Condensed Interim Financial Information	8
Management Discussion and Analysis	22
Other Information	24

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

*Executive Directors*

Liu Tianni (*Chairman*)

Sun Bin (*Chief Executive Officer*)

Chan Pui Kei

*Independent non-executive Directors*

Lam Ting Lok

Li Ling Xiu

Lam Ling

### AUDIT COMMITTEE

Lam Ting Lok (*Chairman*)

Li Ling Xiu

Lam Ling

### NOMINATION AND REMUNERATION COMMITTEES

Li Ling Xiu (*Chairman*)

Liu Tianni

Lam Ting Lok

Lam Ling

### COMPANY SECRETARY

Ong King Keung

### SOLICITORS

Tung & Co.

### INDEPENDENT AUDITORS

Deloitte Touche Tohmatsu

*Certified Public Accountants*

35/F, One Pacific Place

88 Queensway

Hong Kong

### COMPLIANCE ADVISOR

Cinda International Capital Limited

45/F, COSCO Tower

183 Queen's Road Central

Hong Kong

### PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

The Hongkong and Shanghai Banking Corporation Limited

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited

Butterfield House

68 Fort Street

P.O. Box 609

Grand Cayman KY1-1107

Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

Shops 1712-1716

17/F, Hopewell Centre

183 Queen's Road East

Wanchai

Hong Kong

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

6/F, Nexxus Building

No. 41 Connaught Road Central

Hong Kong

### REGISTERED OFFICE

Scotia Centre, 4/F

P.O. Box 2804

George Town

Grand Cayman KY1-1112

Cayman Islands

### STOCK CODE

1260

### COMPANY WEBSITE

<http://www.wsfg.hk>

The board (the “**Board**”) of directors (the “**Directors**”) of Wonderful Sky Financial Group Holdings Limited (the “**Company**”) is pleased to present the unaudited interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2012 as follows:

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2012

	NOTES	For the six months ended 30 September	
		2012 (Unaudited) HK\$'000	2011 (Audited) HK\$'000
<b>Revenue</b>	3	<b>187,337</b>	186,514
Direct costs		<b>(85,142)</b>	(78,564)
<b>Gross profit</b>		<b>102,195</b>	107,950
Other income		<b>8,318</b>	1,113
Selling expenses		<b>(7,268)</b>	(2,643)
Administrative expenses		<b>(21,218)</b>	(15,298)
Other expenses and losses		<b>—</b>	(1,260)
<b>Profit before taxation</b>	4	<b>82,027</b>	89,862
Taxation	5	<b>(13,288)</b>	(15,395)
<b>Profit and total comprehensive income for the period</b>		<b>68,739</b>	74,467
<b>Profit and total comprehensive income for the period attributable to:</b>			
Owners of the Company		<b>68,739</b>	74,467
Earnings per share — Basic	7	<b>HK6.9 cents</b>	HK9.9 cents

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2012

	NOTES	As at 30 September 2012 (Unaudited) HK\$'000	As at 31 March 2012 (Audited) HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		2,531	1,458
<b>Current assets</b>			
Work in progress		3,430	6,319
Accrued revenue	8	2,937	4,010
Trade and other receivables	8	107,252	86,707
Amounts due from related parties	9	2,128	1,175
Short term investments	10	100,000	—
Bank balances and cash	13	358,893	432,771
		<b>574,640</b>	530,982
<b>Current liabilities</b>			
Trade and other payables	11	32,674	42,971
Taxation payable		24,268	11,033
		<b>56,942</b>	54,004
<b>Net current assets</b>		<b>517,698</b>	476,978
<b>Total assets less current liabilities</b>		<b>520,229</b>	478,436
<b>Non-current liability</b>			
Deferred tax liabilities		176	122
<b>Net assets</b>		<b>520,053</b>	478,314
<b>Capital and reserves</b>			
Share capital	12	10,000	10,000
Reserves		510,053	468,314
<b>Total equity</b>		<b>520,053</b>	478,314

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

*For the six months ended 30 September 2012*

	<i>NOTE</i>	<b>For the six months ended 30 September</b>	
		<b>2012</b> <b>(Unaudited)</b> <i>HK\$'000</i>	<b>2011</b> <b>(Audited)</b> <i>HK\$'000</i>
<hr/>			
Net cash inflows/(outflows) from:			
Operating activities		<b>47,240</b>	61,378
Investing activities		<b>(94,118)</b>	17,296
Financing activities		<b>(27,000)</b>	—
<hr/>			
Net (decrease) increase in cash and cash equivalents		<b>(73,878)</b>	78,674
Cash and cash equivalents at beginning of period		<b>432,371</b>	10,622
<hr/>			
<b>Cash and cash equivalents at end of period</b>	13	<b>358,493</b>	89,296
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## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2012

	Attributable to owners of the Company					Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Merger reserve HK\$'000 (note i)	Capital reserve HK\$'000 (note ii)	Accumulated profits HK\$'000	
At 1 April 2011	—	—	10	(1)	70,666	70,675
Profit and total comprehensive income for the year	—	—	—	—	120,407	120,407
Interim dividend recognised as distribution (Note 6)	—	—	—	—	(37,000)	(37,000)
Capitalisation issue	7,500	(7,500)	—	—	—	—
Issue of shares by the Company on public share offering on 30 March 2012	2,500	345,000	—	—	—	347,500
Expenses incurred in connection with the issue of shares	—	(23,268)	—	—	—	(23,268)
At 31 March 2012 (Audited)	10,000	314,232	10	(1)	154,073	478,314

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

For the six months ended 30 September 2012

	Attributable to owners of the Company					Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Merger reserve HK\$'000 (note i)	Capital reserve HK\$'000 (note ii)	Accumulated profits HK\$'000	
At 1 April 2011	—	—	10	(1)	70,666	70,675
Profit and total comprehensive income for the period	—	—	—	—	74,467	74,467
Interim dividend recognised as distribution (Note 6)	—	—	—	—	(37,000)	(37,000)
At 30 September 2011 (Audited)	—	—	10	(1)	108,133	108,142
At 1 April 2012	<b>10,000</b>	<b>314,232</b>	<b>10</b>	<b>(1)</b>	<b>154,073</b>	<b>478,314</b>
Profit and total comprehensive income for the period	—	—	—	—	<b>68,739</b>	<b>68,739</b>
Final dividend recognised as distribution (Note 6)	—	—	—	—	<b>(27,000)</b>	<b>(27,000)</b>
At 30 September 2012 (Unaudited)	<b>10,000</b>	<b>314,232</b>	<b>10</b>	<b>(1)</b>	<b>195,812</b>	<b>520,053</b>

## Notes:

- (i) The merger reserve of the Group represented the difference of the nominal value of the shares of Shine Talent Holdings Limited (“**Shine Talent Holdings**”) issued in exchange for the entire share capital of Wonderful Sky Financial Group Limited (“**Wonderful Sky Financial Group**”).
- (ii) The capital reserve of the Group represented capital contribution arising from transfer of interest in a subsidiary to its shareholder.



# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

*For the six months ended 30 September 2012*

## 1. GENERAL AND BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 12 January 2011 under the Companies Law of the Cayman Islands Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its ultimate holding company is Sapphire Star Investments Limited, a company with limited liability incorporated in the British Virgin Islands (“**BVI**”). The address of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section of the interim report.

The principal activity of the Company is to act as an investment holding company. The Group is mainly engaged in the provision of financial public relations services and organisation and coordination of international roadshow services.

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

## 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis. Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2012 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2012.

In the current interim period, the Group has applied, for the first time, certain amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by HKICPA that are mandatorily effective for the current interim period.

The application of the amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

During the period, the Group has also adopted the following accounting policy.

### **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (*Continued*)*For the six months ended 30 September 2012***2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in investment revaluation reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

**3. REVENUE AND SEGMENT INFORMATION**

The Group's operating activities are attributable to two operating segments focusing on provision of different types of service, namely the provision of financial public relations services and organisation and coordination of international roadshow services. These operating segments have been identified on the basis of internal management reports that are regularly reviewed by the Directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance.

**Segment revenue and results**

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

*For the six months ended 30 September 2012 (Unaudited)*

	Provision of financial public relations services <i>HK\$'000</i>	Organisation and coordination of international roadshow services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue	<u>180,005</u>	<u>7,332</u>	<u>187,337</u>
Segment profit	<u>93,575</u>	<u>809</u>	94,384
Unallocated corporate income			8,318
Staff costs (including retirement benefit scheme contributions)			(9,197)
Operating lease rentals			(3,920)
Other unallocated corporate expenses			(7,558)
Profit before taxation			<u>82,027</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (*Continued*)*For the six months ended 30 September 2012***3. REVENUE AND SEGMENT INFORMATION (CONTINUED)****Segment revenue and results** (*Continued*)*For the six months ended 30 September 2011 (Audited)*

	<b>Provision of financial public relations services</b> <i>HK\$'000</i>	<b>Organisation and coordination of international roadshow services</b> <i>HK\$'000</i>	<b>Consolidated</b> <i>HK\$'000</i>
Revenue	<u>165,666</u>	<u>20,848</u>	<u>186,514</u>
Segment profit	<u>102,085</u>	<u>3,862</u>	105,947
Unallocated corporate income			1,112
Staff costs (including retirement benefit scheme contributions)			(10,122)
Operating lease rentals			(1,694)
Listing expenses (included in other expenses and losses)			(2,323)
Other unallocated corporate expenses			(3,058)
Profit before taxation			<u>89,862</u>

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of other income, central administration costs and Directors' salaries.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Continued)

For the six months ended 30 September 2012

**3. REVENUE AND SEGMENT INFORMATION (CONTINUED)****Segment assets**

The following is an analysis of the Group's assets by reportable segment:

At 30 September 2012 (Unaudited)

	Provision of financial public relations services <i>HK\$'000</i>	Organisation and coordination of international roadshow services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>Assets</b>			
Segment assets	105,333	6,194	111,527
Bank balances and cash			358,893
Other unallocated assets			106,751
Total assets			577,171

At 31 March 2012 (Audited)

	Provision of financial public relations services <i>HK\$'000</i>	Organisation and coordination of international roadshow services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>Assets</b>			
Segment assets	83,966	12,322	96,288
Bank balances and cash			432,771
Other unallocated assets			3,381
Total assets			532,440

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (*Continued*)*For the six months ended 30 September 2012***4. PROFIT BEFORE TAXATION**

	<b>For the six months ended 30 September</b>	
	<b>2012</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2011 <b>(Audited)</b> <b>HK\$'000</b>
Directors' remuneration	<b>3,211</b>	6,014
Other staff costs	<b>15,484</b>	11,859
Retirement benefit scheme contributions for other staff	<b>457</b>	361
	<b>19,152</b>	18,234
Auditor's remuneration	<b>450</b>	200
Depreciation	<b>553</b>	424
Operating lease rentals in respect of office premises	<b>3,920</b>	1,694
Impairment loss reversed on trade receivables, net (included in other expenses and losses)	<b>—</b>	(1,063)
Listing expenses (included in other expenses and losses)	<b>—</b>	2,323
and after crediting:		
Interest income (included in other income)	<b>1,560</b>	—
Investment income (included in other income)	<b>3,199</b>	—
Gain on disposal of financial assets (included in other income)	<b>2,119</b>	—
Commission income (included in other income)	<b>1,336</b>	1,104

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (*Continued*)*For the six months ended 30 September 2012***5. TAXATION**

	<b>For the six months ended 30 September</b>	
	<b>2012</b> <b>(Unaudited)</b> <b>HK\$'000</b>	<b>2011</b> <b>(Audited)</b> <b>HK\$'000</b>
Hong Kong Profits Tax		
— Current tax	<b>13,234</b>	15,425
Deferred taxation	<b>54</b>	(30)
	<b>13,288</b>	15,395

Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for both periods.

**6. DIVIDENDS**

The interim dividend of HK2.8 cents per share and special dividend of HK1.3 cents per share in respect of the six months ended 30 September 2012 has been declared by the Board and will be payable to the shareholders of the Company whose names appear on the register of members on 12 December 2012. The interim dividend and special dividend will be paid on or before 20 December 2012. The aggregate amount of interim and special dividends declared in respect of the six months ended 30 September 2012 amounted to HK\$41,000,000 (2011: HK\$37,000,000). This interim dividend and special dividend were declared after the interim reporting date, and therefore has not been included as a liability in the condensed consolidated statement of financial position.

During the six months ended 30 September 2012, the final dividend of HK1.9 cents per share and special dividend of HK0.8 cent per share in respect of the year ended 31 March 2012 was declared and paid to its shareholders. The aggregate amount of final and special dividends declared and paid during the period amounted to HK\$27,000,000.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (*Continued*)

For the six months ended 30 September 2012

**7. EARNINGS PER SHARE**

The calculation of basic earnings per share for the six months ended 30 September 2012 is based on the Group's unaudited consolidated profit attributable to owners of the Company and on the weighted average number of 1,000,000,000 ordinary shares in issue. The calculation of the basic earnings per share for the six months ended 30 September 2011 is based on audited consolidated profit attributable to owners of the Company and on the 750,000,000 ordinary shares in issue on the assumption that the capitalisation issue of 749,999,220 ordinary shares of HK\$0.01 each of the Company at par value on 7 March 2012 had been effected on 1 April 2011.

The Group's earnings per share decreased from HK9.9 cents for the six months ended 30 September 2011 to HK6.9 cents for the six month ended 30 September 2012 mainly due to the Company issued 250,000,000 ordinary shares by way of public share offering on 30 March 2012.

No diluted earnings per share has been presented as there had been no dilutive potential shares during the period.

**8 ACCRUED REVENUE AND TRADE AND OTHER RECEIVABLES**

	As at 30 September 2012 (Unaudited) HK\$'000	As at 31 March 2012 (Audited) HK\$'000
Accrued revenue	2,937	4,010
Trade receivables, net of allowance	100,502	83,957
Other receivables		
— Deposits	4,080	1,466
— Prepayments	2,630	1,219
— Staff advances	40	65
	6,750	2,750
Total trade and other receivables	107,252	86,707

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Continued)

For the six months ended 30 September 2012

**8 ACCRUED REVENUE AND TRADE AND OTHER RECEIVABLES (CONTINUED)**

Service income arising from initial public offerings (“IPO”) is recognised when services are rendered and is generally billed within one month from date of listing of its customers. Service income arising from retainer services from non-IPO clients is recognised when services are rendered and is billed monthly, quarterly or semi-annually in arrears. Service income arising from organisation and coordination of international roadshow services from international roadshow clients is recognised when services are rendered and is generally billed within 30 days from the completion of the event. The Group generally grants a credit period of 30 days to its customers.

Accrued revenue represents service fees earned upon related services being rendered but not yet billed and due at the end of reporting period.

Before accepting any new customer, the Group will internally assess the potential customer’s credit quality and define an appropriate credit limit. The management closely monitors the credit quality and follow-up action is taken if overdue debts are noted.

The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date:

	As at 30 September 2012 (Unaudited) HK\$'000	As at 31 March 2012 (Audited) HK\$'000
Within 30 days	46,208	41,583
31 to 90 days	12,260	16,499
91 days to 1 year	42,034	25,875
	<b>100,502</b>	83,957



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (*Continued*)*For the six months ended 30 September 2012***9. AMOUNTS DUE FROM RELATED PARTIES**

Particulars of the amounts due from related parties are disclosed as follows:

	As at 30 September 2012 (Unaudited) HK\$'000	As at 31 March 2012 (Audited) HK\$'000
Chongqing Iron & Steel Company Limited ("Chongqing Iron & Steel") (note 1)	2,070	487
Draw Up Assets Limited ("Draw Up") (note 2)	—	630
Qingling Motors Company Limited ("Qingling Motors") (note 1)	58	58
	<b>2,128</b>	1,175
Analysed for reporting purposes:		
Non-current assets	—	—
Current assets	2,128	1,175
	<b>2,128</b>	1,175

Included in the amounts due from related parties is a balance of HK\$2,128,000 (31 March 2012: HK\$545,000), which was trade in nature, representing receivable from the provision of financial public relations services to non-IPO Client. The Group allows a credit period of 30 days to the related parties. The remaining balances are unsecured, interest-free and repayable on demand.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (*Continued*)*For the six months ended 30 September 2012***9. AMOUNTS DUE FROM RELATED PARTIES (CONTINUED)**

The following is an aged analysis of trade in nature amounts due from related parties:

	<b>As at 30 September 2012 (Unaudited) HK\$'000</b>	<b>As at 31 March 2012 (Audited) HK\$'000</b>
Within 30 days	<b>955</b>	445
31-90 days	<b>113</b>	—
91 days to 1 year	<b>1,060</b>	100
	<b>2,128</b>	545

The outstanding balance due from Draw Up represents rental deposits paid and the outstanding balance as at 31 March 2012 which was settled upon termination of the lease term during the six months ended 30 September 2012.

*Notes:*

1. Mr. Liu Tianni, the controlling shareholder and director of the Company, is a director of Chongqing Iron & Steel and Qingling Motors.
2. Draw Up is wholly-owned by Mr. Liu Tianni and his spouse.

**10. SHORT TERM INVESTMENTS**

	<b>As at 30 September 2012 (Unaudited) HK\$'000</b>	<b>As at 31 March 2012 (Audited) HK\$'000</b>
Unlisted fund investments	<b>100,000</b>	—

For details, please refer to the Company's announcement dated 14 August 2012.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (*Continued*)

For the six months ended 30 September 2012

**11. TRADE AND OTHER PAYABLES**

	As at 30 September 2012 (Unaudited) HK\$'000	As at 31 March 2012 (Audited) HK\$'000
Trade payables	18,195	20,556
Deposits received from customers	3,988	12,446
Salaries payable	2,338	2,217
Accrued expenses	2,944	6,083
Other payables	5,209	1,669
	<b>14,479</b>	22,415
Total trade and other payables	<b>32,674</b>	42,971

The following is an aged analysis of the trade payables based on the invoice date:

	As at 30 September 2012 (Unaudited) HK\$'000	As at 31 March 2012 (Audited) HK\$'000
Within 30 days	5,013	7,898
31 to 60 days	2,708	243
61 to 90 days	2,324	378
91 days to 1 year	5,881	7,875
Over 1 year	1,140	652
	<b>17,066</b>	17,046
Not yet billed	1,129	3,510
	<b>18,195</b>	20,556

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Continued)

For the six months ended 30 September 2012

**12. SHARE CAPITAL**

	Number of shares	HK\$'000
Authorised:		
Ordinary shares of HK\$0.01 each at 31 March and 30 September 2012	10,000,000,000	100,000
Issued and fully paid:		
Ordinary shares of HK\$0.01 each at 31 March and 30 September 2012	1,000,000,000	10,000

**13. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS**

	As at 30 September 2012 (Unaudited) HK\$'000	As at 30 September 2011 (Audited) HK\$'000
Bank Balances and cash	358,893	89,296
Less: Pledged bank balance	(400)	—
	<b>358,493</b>	89,296

**14. PLEDGE OF ASSETS**

	As at 30 September 2012 (Unaudited) HK\$'000	As at 31 March 2012 (Audited) HK\$'000
Bank balance	400	400

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (*Continued*)

For the six months ended 30 September 2012

**15. RELATED PARTY TRANSACTIONS**

In addition to the transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group had also entered into the following related party transactions:

	<b>For the six months ended</b>	
	<b>30 September 2012 (Unaudited) HK\$'000</b>	30 September 2011 (Audited) HK\$'000
Financial public relations service income from Chongqing Iron & Steel ( <i>note 1</i> )	<b>2,180</b>	1,613
Financial public relations service income from Qingling Motors ( <i>note 1</i> )	<b>58</b>	—
Operating lease rentals paid to Draw Up ( <i>note 2</i> )	<b>393</b>	1,260

Notes:

- Chongqing Iron & Steel and Qingling Motors are the companies in which Mr. Liu Tianni, the controlling shareholder and director of the Company, has directorship.
- Wonderful Sky Financial Group leased a property owned by Draw Up during the period. Draw Up is a company in which Mr. Liu Tianni has beneficial and controlling interests.

**Compensation of key management personnel**

The remuneration of directors and other member of key management during the period was as follows:

	<b>For the six months ended</b>	
	<b>30 September 2012 (Unaudited) HK\$'000</b>	30 September 2011 (Audited) HK\$'000
Salaries and allowances	<b>4,314</b>	4,132
Performance related incentive payments	<b>279</b>	3,000
Retirement benefit scheme contributions	<b>35</b>	36
	<b>4,628</b>	7,168

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION *(Continued)**For the six months ended 30 September 2012***16. OPERATING LEASE COMMITMENTS**

At the end of each reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	<b>As at 30 September 2012 (Unaudited) HK\$'000</b>	As at 31 March 2012 (Audited) HK\$'000
Within one year	<b>7,401</b>	3,974
In the second to fifth years, inclusive	<b>11,580</b>	3,324
	<b>18,981</b>	7,298

Operating lease payments represent rentals payable by the Group for the office premises.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

The Group's revenue increased from approximately HK\$186.5 million for the six months ended 30 September 2011 to approximately HK\$187.3 million for the six months ended 30 September 2012, representing an increase of approximately 0.44%. The Group's profit and total comprehensive income decreased from approximately HK\$74.5 million for the six months ended 30 September 2011 to approximately HK\$68.7 million for the six months ended 30 September 2012, representing a slight decrease of approximately 7.7%. The decrease in profit and total comprehensive income during the period was mainly due to the increase in selling and administrative expenses for business expansion such as operating lease rentals. The Group's earnings per share decreased from HK9.9 cents for the six months ended 30 September 2011 to HK6.9 cents for the six months ended 30 September 2012 mainly due to the Company issued 250,000,000 ordinary shares by way of public share offering on 30 March 2012.

Our services focus on the aspects of (i) public relations services; (ii) investor relations services; (iii) financial printing services; and (iv) capital markets branding (collectively, the "**Financial PR services**") and international roadshow services. The revenue for Financial PR services was approximately HK\$180.0 million during the six months ended 30 September 2012, representing a growth of approximately 8.7% compared with that in the last corresponding period. The segment result for Financial PR services during the six months ended 30 September 2012 was approximately HK\$93.6 million, representing a decrease of approximately 8.3% compared with that in the last corresponding period. The decrease was mainly due to the increase in selling expenses for business development. During the six months ended 30 September 2012, the Group had 12 initial public offering clients ("**IPO Clients**") successfully listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") compared to 7 IPO Clients in last corresponding period. As at 30 September 2012, over 20 IPO Clients were in the process of their listing applications. During the period, the revenue and segment results for international roadshow services were approximately HK\$7.3 million and HK\$0.8 million, respectively. Compared to last corresponding period, the decrease was mainly due to delay of certain roadshow projects.

## FINANCIAL REVIEW

### *Liquidity and financial resources*

The Group generally finances its operations with internally generated cash flow and banking facilities provided by its principal bankers in Hong Kong. The Group is financially sound and its cash position remains healthy. The Group's cash and bank balances and short-term bank deposits as of 30 September 2012 amounted to approximately HK\$358.9 million. The Group's gearing ratio as at 30 September 2012, calculated based on the short-term and long-term interest bearing bank borrowings and the equity attributable to owners of the Company, was nil (31 March 2012: nil). We believe that the Group's cash holding, liquid asset value, future revenue and available banking facilities will be sufficient to fulfill working capital requirements of the Group.

## MANAGEMENT DISCUSSION AND ANALYSIS (*Continued*)

### *Exchange rate exposure*

Most of the transactions of the Group were made in Hong Kong dollars and US dollars. As of 30 September 2012, the Group was not exposed to any material exchange risk as the exchange rates of Hong Kong dollars and US dollars were relatively stable under the currency peg system.

### *Financial guarantees and charges on assets*

As at 30 September 2012, corporate guarantees amounting to approximately HK\$20 million were given to banks by the Company for the provision of general banking facilities granted to one of its subsidiaries. Please refer to note 14 to the condensed interim financial information for details of pledge of assets.

## CONTINGENT LIABILITIES

As at 30 September 2012, the Group had no contingent liabilities.

## PROSPECTS

Looking forward, despite the adverse influence of the European debt crisis, the signs of recovery of economy in the U.S. and steady growth in PRC economy are expected to promise the overall prospective of the economy. It is believed that the financial public relations industry in Hong Kong and the PRC still enjoys growth potential in the long run. The Group gradually expanded its businesses through cautious strategic planning in Hong Kong and China. During the period, the Group moved its Hong Kong office to Hong Kong's premier location and successfully launched our new service on capital market branding to clients. In China, registration for our subsidiary in China was successfully completed in Beijing in October 2012. The subsidiary in China will be an extension of the five-in-one services platform and will be a stepping stone for breaking into the A-Share market.

Subject to prevailing market conditions and the availability of potential targets, the Group may also acquire or set up a joint venture with a public relations firm in China and implement strategic merger with and acquisition of company(ies) in Hong Kong with experience in the public relations business, investor relations business, financial printing business, international roadshow business or capital markets branding business. The Group keeps on exploring all potential opportunities. If such opportunity materialises, announcement will be made in accordance with the Listing Rules as and when appropriate.

The Group will continue the policy of conservative cash flow management by identifying prevailing good investment opportunities while maintaining a sound financial position in the present uncertain economic environment. These forward-looking measures will consolidate the leading position of the Group and pave the way for greater success in the future.



## OTHER INFORMATION

### DIVIDENDS

The interim dividend of HK2.8 cents per share and special dividend of HK1.3 cents per share, in respect of the six months ended 30 September 2012 has been declared by the Board and will be payable to the shareholders of the Company whose names appear on the register of members on 12 December 2012. The interim dividend and special dividend will be paid on or before 20 December 2012. The aggregate amount of interim and special dividends declared in respect of the six months ended 30 September 2012 amounted to HK\$41,000,000 (2011: HK\$37,000,000).

### USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

On 30 March 2012, the Company received the net proceeds in the sum of approximately HK\$314.8 million raised from the issue of new shares at the time of its listing on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Such net proceeds were derived after deduction of related issuance expenses. As at 30 September 2012, the Group used net proceeds of approximately HK\$21.3 million, of which approximately HK\$8.5 million was used for establishing an additional office in Hong Kong as well as recruiting additional staff members and approximately HK\$12.8 million was used for as working capital and other general corporate purposes of the Group. The remaining net proceeds are placed on short-term deposits and/or money market instruments with authorized financial institutions and/or licensed banks in Hong Kong and/or the PRC and fund investment as disclosed in announcement dated 14 August 2012. The Directors are of the opinion that the net proceeds will be applied in the coming years to their intended uses as set out in the Company's prospectus dated 19 March 2012.

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2012, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers and which were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO were as follows:

OTHER INFORMATION (*Continued*)(i) **The Company**

Name of Director	Long/ Short position	Number of shares held		Total interests as % of the issued share capital of the Company
		Interest in controlled corporation	Total interests	
Mr. Liu Tianni	Long	750,000,000	750,000,000	75.0%
		<i>(Note)</i>		

*Note:*

The shares are owned by Sapphire Star Investments Limited (“**Sapphire Star**”), a company incorporated in the British Virgin Islands. Mr. Liu Tianni holds 51% of the issued share capital in Sapphire Star and is deemed to be interested in the 49% of the issued share capital in Sapphire Star held by his spouse, Ms. Luk Ching, Sanna (“**Mrs. Liu**”) under the SFO. Accordingly Mr. Liu Tianni is deemed or taken to be interested in all the shares of the Company held by Sapphire Star under the SFO.

(ii) **Associated Corporation**

Name of Director	Long/ Short position	Name of the associated corporation	Number of shares held	Approximately percentage of interest in Sapphire Star
Mr. Liu Tianni ( <i>Note</i> )	Long	Sapphire Star	100	100%

*Note:*

Mr. Liu Tianni holds 51% of the issued share capital in Sapphire Star and is deemed to be interested in the 49% of the issued share capital in Sapphire Star held by his spouse, Mrs. Liu under the SFO. Accordingly Mr. Liu Tianni is deemed or taken to be interested in 100% of the issued share capital in Sapphire Star.

Save as disclosed above, as at 30 September 2012, none of the Directors or chief executive of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of Listed Issuers and which were required to be entered into the register required to be kept under Section 352 of the SFO.

OTHER INFORMATION (*Continued*)**SUBSTANTIAL SHAREHOLDERS**

As at 30 September 2012, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

<b>Name of shareholder</b>	<b>Long/Short position</b>	<b>Beneficial owner</b>	<b>Interest in controlled corporation</b>	<b>Total interests</b>	<b>Percentage of issued capital of the Company</b>
Sapphire Star	Long	750,000,000 <i>(Note)</i>	—	750,000,000 <i>(Note)</i>	75.0%
Mrs. Liu	Long	—	750,000,000 <i>(Note)</i>	750,000,000 <i>(Note)</i>	75.0%

*Note:*

The shares are owned by Sapphire Star. Mrs. Liu holds 49% of the issued share capital in Sapphire Star. Therefore, Mrs. Liu is deemed or taken to be interested in all the shares of the Company held by Sapphire Star for the purposes of the SFO.

Save as disclosed above, as at 30 September 2012, the Directors are not aware that there is any party (not being a Director) who had any interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or any options in respect of such shares.

**SHARE OPTION SCHEMES**

The Group's share option scheme was adopted on 7 March 2012 and is effective for a period of ten years. As at 30 September 2012, no share options had been granted under the scheme.

**DIRECTORS' INTERESTS IN CONTRACTS**

No director had a material interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the six months ended 30 September 2012.

## OTHER INFORMATION (*Continued*)

### **DIRECTORS' INTERESTS IN COMPETING BUSINESSES**

None of the directors, the management shareholders of the substantial shareholders of the Company, or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

### **CORPORATE GOVERNANCE**

Save and except for the following deviation, the Directors consider that the Company has complied with the applicable code provisions of the Corporate Governance Code (the "CG Code"), as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 September 2012.

#### **Code Provision A.2.7**

Under code provision A.2.7 of the CG Code, the chairman should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the executive Directors present. As Mr. Liu Tianni, the Chairman of the Company, is also an executive Director of the Company, this code provision is not applicable.

### **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES**

For the six months ended 30 September 2012, the Company has not redeemed any of its listed securities. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities during the period.

### **EMPLOYMENT AND REMUNERATION POLICIES**

As at 30 September 2012, the Group had 126 full-time employees. Remuneration packages are generally structured by reference to market terms and individual merits. Salaries are normally reviewed on an annual basis and bonuses paid, if any, will be based on performance appraisals and other relevant factors. Staff benefits plans maintained by the Group include mandatory provident fund scheme, share option scheme and medical insurance.

### **CLOSURE OF REGISTER OF MEMBERS FOR DIVIDENDS**

The register of members of the Company will be closed from 10 December 2012 to 12 December 2012 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the interim dividend and special dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 7 December 2012.

## OTHER INFORMATION (*Continued*)

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they had fully complied with the required standard as set out in the Model Code for the six months ended 30 September 2012.

### CHANGES IN INFORMATION ON DIRECTORS

Subsequent to the date of the 2012 annual report of the Company, changes in information of Directors which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

- Mr. Liu Tianni, an executive Director, was appointed as an independent non-executive director of Luoyang Glass Company Limited, a company the shares of which are listed on the Main Board of the Stock Exchange, with effect from 9 November 2012.

### AUDIT COMMITTEE

The Group has established an Audit Committee with written terms of reference in accordance with the Listing Rules. The Audit Committee comprises 3 members, who are independent non-executive Directors, namely Mr. Lam Ting Lok, Ms. Li Ling Xiu and Ms. Lam Ling. This Committee is chaired by Mr. Lam Ting Lok.

The Audit Committee has reviewed with the management of the Company about the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters including a review of the unaudited condensed financial statements of the Group for the six months ended 30 September 2012.

### APPRECIATION

On behalf of the Board, I would like to express its sincere gratitude to all our staff for their dedication and contribution, as well as to all our customers, suppliers, business associates and shareholders for their continuous support to the Group over the period.

By Order of the Board

**Liu Tianni**

*Chairman*

Hong Kong, 23 November 2012