WONDERFUL sky

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

Annual Report 2013

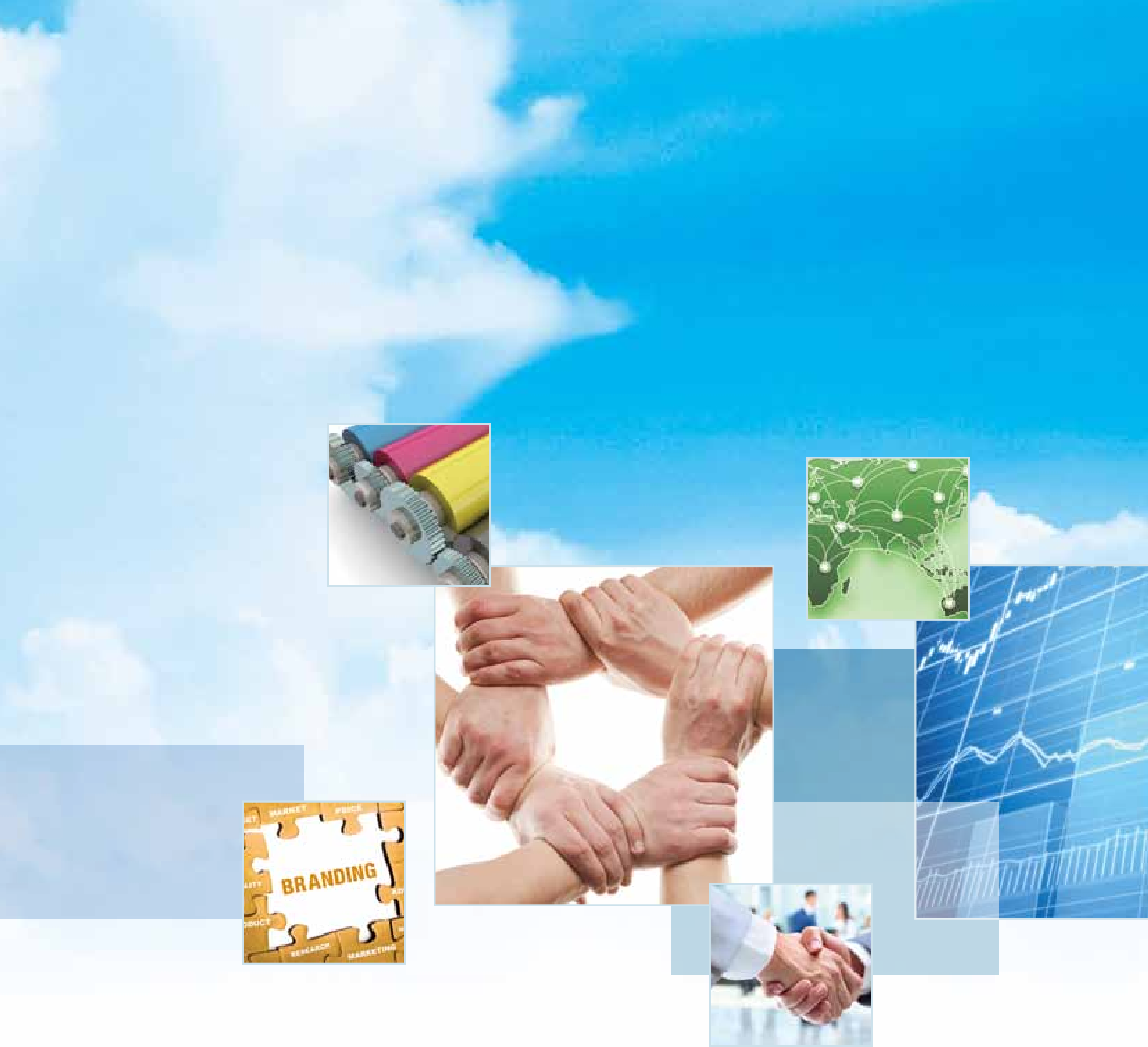
財經公關
Financial PR

投資者關係
Investor Relations

國際路演
International Roadshow

財經印刷
Financial Printing

品牌創意
Capital Markets Branding


MARKET
PRICE
BRANDING
RESEARCH
MARKETING

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FINANCIAL SUMMARY

	Year ended 31 March				
	2009	2010	2011	2012	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	***HK$'000***
RESULTS					
Revenue	112,453	166,279	271,189	328,821	**343,539**
Profit before taxation	45,323	68,792	100,836	145,363	**147,839**
Taxation	(7,655)	(11,510)	(17,121)	(24,956)	**(24,201)**
Profit for the year	37,668	57,282	83,715	120,407	**123,638**
Profit attributable to owners of the Company	37,668	57,282	83,716	120,407	**123,638**
Non-controlling interests	—	—	(1)	—	**—**
Profit for the year	37,668	57,282	83,715	120,407	**123,638**

	At 31 March				
	2009	2010	2011	2012	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	***HK$'000***
ASSETS AND LIABILITIES					
Total assets	37,096	68,812	127,480	532,440	**584,151**
Total liabilities	(19,418)	(31,852)	(56,805)	(54,126)	**(50,199)**
Net assets	17,678	36,960	70,675	478,314	**533,952**
Equity attributable to owners of the Company	17,678	36,960	70,675	478,314	**533,952**

The results and summary of assets and liabilities for each of the three years ended 31 March 2011 which were extracted from the Company's prospectus dated 19 March 2012 (the "**Prospectus**") have been prepared on a combined basis to present the results of the Group as if the group structure at the time when the group reorganisation as fully explained in the Prospectus took place had been in existence throughout those years.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Liu Tianni *(Chairman)*
Xie Wen Zhao *(Chief Executive Officer)*
(Appointed on 1 May 2013)
Chan Pui Kei (Resigned on 1 May 2013)

Non-executive Director

Sun Bin (Redesignated from executive Director to non-executive Director on 1 May 2013)

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 HKICPA, ACCA

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

CORPORATE INFORMATION *(Continued)*

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

CHAIRMAN'S STATEMENT

Dear Shareholders

On behalf of the board (the **"Board"**) of directors (the **"Directors"**) of Wonderful Sky Financial Group Holdings Limited (the **"Company"**, together with its subsidiaries collectively referred to as the **"Group"**), I am pleased to present all shareholders with our annual report of the Group for the year ended 31 March 2013.

RESULTS

The Group's revenue and profit and total comprehensive income reached a record high and recorded growth of approximately 4.5% and 2.7%, respectively, compared to those of the preceding year. The Group recorded a total revenue of approximately HK$343.5 million and a profit and total comprehensive income for the year of approximately HK$123.6 million for the year ended 31 March 2013.

FINAL DIVIDEND AND SPECIAL DIVIDEND

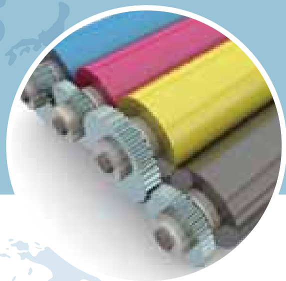
In appreciation of our shareholders' support, the Directors recommended the payment of a final dividend of HK2.2 cents per share and special dividend of HK1.1 cents per share for the year ended 31 March 2013 to all shareholders whose names appear on the register of members of the Company on 9 August 2013. Subject to the approval of the shareholders at the forthcoming annual general meeting, the proposed final dividend and special dividend is expected to be paid on or about 16 August 2013. The proposed final and special dividend, together with the interim and special dividend of HK4.1 cents per share paid in December 2012, amounts to a total dividend for the year ended 31 March 2013 of HK7.4 cents per share.

BUSINESS REVIEW

In 2012/2013, despite the adverse impact from market fluctuations, the Group's revenue and profit and total comprehensive income reached a record high. The Group recorded a total revenue of approximately HK$343.5 million and a profit and total comprehensive income for the year of approximately HK$123.6 million, representing a year-on-year growth of approximately 4.5% and 2.7%, respectively. The Group's earnings per share decreased from HK16.0 cents for the year ended 31 March 2012 to HK12.4 cents for the year ended 31 March 2013 primarily because the Company issued 250,000,000 ordinary shares by way of public share offering on 30 March 2012.

During the year, the Group focused operating activities on two business segments offering different types of services, namely the provision of financial public relations services and the organisation and coordination of international roadshow services.






Provision of Financial Public Relations Services (the "Financial PR services")

Our financial PR services focus on the aspects of (i) public relations services; (ii) investor relations services; (iii) financial printing services and (iv) capital markets branding. Our clients can be categorised into initial public offering clients (the **"IPO Clients")** and non-initial public offering clients (the **"Non-IPO Clients"**). The revenue for Financial PR services was approximately HK$301.2 million, representing a growth of approximately 5.2% compared with that in last corresponding year. The segment results for Financial PR services was approximately HK$161.8 million, representing a slight decrease of approximately 3.4% compared to those in the last corresponding year. The decrease was mainly due to the increase in selling expenses for business development.

During the year ended 31 March 2013, the Group had 16 IPO Clients successfully listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") compared to 11 IPO Clients in last corresponding year.

Organisation and coordination of international roadshow services (the "Roadshow services")

Our Roadshow services include coordinating and managing the overall logistics of investor presentations for our clients to ensure that the roadshow would run smoothly, which allows our clients to concentrate on the marketing aspect of their roadshow. During the year ended 31 March 2013, our revenue and segment results from international roadshow business were approximately HK$42.3 million and HK$8.4 million, respectively, which maintained steady compared to that in the last corresponding year of HK$42.4 million and HK$8.4 million, respectively. We completed one of Hong Kong's largest international roadshow IPO projects during the year which is a milestone for our Roadshow services development.

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 bank balances and cash and short-term bank deposits as of 31 March 2013 amounted to approximately HK$354.0 million. The Group's gearing ratio as at 31 March 2013 was nil (2012: nil), based on the short-term and long-term interest bearing bank loans and the equity attributable to equity holders of the Company. 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.

CHAIRMAN'S STATEMENT *(Continued)*

Exchange Rates Exposure

Most of the transactions of the Group were made in Hong Kong dollars and US dollars. As of 31 March 2013, 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. The Group's foreign exchange exposure was therefore insignificant.

Financial Guarantees

As at 31 March 2013, 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.

PROSPECTS

Looking ahead, the lingering sovereign debts crisis in Europe and the slow recovery of the US economy continues to add uncertainties and volatilities in the global financial market. The Group expects that the operating environment will continue to be challenging. Nevertheless, risks and opportunities co-exist. The financial public relations industry in Hong Kong and China still enjoys healthy growth potential in the long run. The Group has gradually expanded its business through cautious strategic planning in Hong Kong and China. In Hong Kong, the Group is pleased to welcome Mr. Xie Wen Zhao to join the Group as an Executive Director and Chief Executive Officer. We strongly believe that Mr. Xie's rich financial services and corporate management experiences will further solidify our position as the industry leader. With support from our existing Hong Kong team, our newly established China team will enable us to establish cross-border business platform serving our clients in Hong Kong and China. The Group is optimistic that the PRC subsidiary will start generating revenue flows in the near future. Moreover, the Group continues to explore any cooperative relationship with other public relations firms to expand our network and business opportunities outside of China and Hong Kong.

Subject to prevailing market conditions and the availability of potential targets, the Group may also acquire or set up joint ventures with public relations firms in the PRC and implement strategic merger with and acquisition of company(ies) in Hong Kong with experience in the public relations, investor relations, financial printing or international roadshow or capital markets branding businesses. As of 31 March 2013, the Group had not yet identified any definitive targets. As always, the Group will continue to explore any opportunities to further expand and diversify our business, with the ultimate aim of bringing greater value to our shareholders in the long run.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31 March 2013, the Group had 142 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 THE ANNUAL GENERAL MEETING ("AGM")

The AGM of the Company will be held on 2 August 2013. The register of members of the Company will be closed from 31 July 2013 to 2 August 2013 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, 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 30 July 2013.

CLOSURE OF REGISTER OF MEMBERS FOR DIVIDENDS

The register of members of the Company will be closed from 8 August 2013 to 9 August 2013 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the proposed final 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 August 2013.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2013.

APPRECIATION

On behalf of the Board, I would like to thank all our staff for their dedication and contributions and our clients, suppliers, business associates and shareholders for their continuous support.

Liu Tianni
Chairman

Hong Kong, 21 June 2013

BIOGRAPHICAL DETAILS OF THE DIRECTORS OF THE COMPANY AND SENIOR MANAGEMENT OF THE GROUP

EXECUTIVE DIRECTORS

Mr. Liu Tianni（劉天倪）, aged 49, is the chairman of the Company and has been appointed an executive Director since 12 January 2011. He has been the chairman of Wonderful Sky Financial Group Limited since April 2008. Prior to the transfer of assets from Wonderful Sky Limited to Wonderful Sky Financial Group Limited as stated in the Company's prospectus dated 19 March 2012, he had been the chairman of Wonderful Sky Limited for more than 11 years. He is an executive director of all companies of the Group. He is primarily responsible for leading and broadening the development of the Group's project platforms, actively developing new business areas, and formulating the Group's developmental goals and strategies. Mr. Liu has approximately 15 years of experience in the finance and financial public relations sectors. During these 15 years, Mr. Liu has gained experience in capital markets, post-listing corporate financings, and mergers and acquisitions. Mr. Liu obtained a master's degree in Science（理學碩士學位）from Beijing Normal University（北京師範大學）in 1990. In October 2008, he was awarded the "Excellence in Achievement of World Chinese Youth Entrepreneurs"（世界傑出青年華商）award, jointly organised by Yazhou Zhoukan（亞洲週刊）and World Federation of Chinese Entrepreneurs Organization（世界華商組織聯盟）. Currently, Mr. Liu is an executive director of Silver Grant International Industries Limited (stock code: 171) and, an independent non-executive director of Chongqing Iron & Steel Company Limited (stock code: 1053), Qingling Motors Company Limited (stock code: 1122) and Luoyang Glass Company Limited (stock code: 1108), shares of which are all listed on the Main Board of the Stock Exchange. In addition, Mr. Liu is the sole director of and holds 51% of the entire issued share capital in Sapphire Star Investments Limited, a substantial shareholder of the Company.

Mr. Xie Wen Zhao（謝文釗）, aged 39, has been an executive Director and chief executive officer of the Company and certain of subsidiaries since May 2013. He has over 10 years of experience in initial public offerings, mergers and acquisitions, private equity, and senior corporate management responsibilities including extensive investor relations experience. He had since worked both as an investment banker and an investor for several global financial services companies such as Bank of China International Holdings Limited and Deutsche Bank AG. Prior to joining the Group, Mr. Xie was the chief financial officer of Winsway Coking Coal Holdings Limited (Stock code: 1733) ("Winsway") from February 2010 to April 2013 and was responsible for Winsway's initial public offering, capital markets activities, financial management, mergers and acquisitions and investors relations. Mr. Xie received a Bachelor of Science degree in Chemical Engineering from the Georgia Institute of Technology in 1996 and a Master of Business Administration degree from the Stern School of Business at New York University in 2004.

NON-EXECUTIVE DIRECTOR

Ms. Sun Bin（孫彬）, aged 42, joined the Group in September 2010 and has been a non-executive Director since May 2013. She was an executive Director and the chief executive officer of the Company from 18 April 2011 to 30 April 2013. Ms. Sun has over 7 years of experience in the financial public relations industry. From August 2004 to September 2010, she worked as a senior manager at China International Capital Corporation Limited. Ms. Sun obtained a bachelor's degree in Arts（文學學士學位）from Beijing Foreign Studies Institute（北京外國語學院）(now known as Beijing Foreign Studies University（北京外國語大學）) in July 1993.

BIOGRAPHICAL DETAILS OF THE DIRECTORS OF THE COMPANY AND SENIOR MANAGEMENT OF THE GROUP *(Continued)*

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lam Ting Lok (林庭樂), aged 40, has over 15 years' experience in the accounting and financial industry. He has extensive experience in IPO, M&A, fund raising and corporate advisory. He has been appointed as the independent non-executive director of Enterprise Development Holdings Limited (stock code: 1808) since March 2011 and the independent non-executive director of EPI (Holdings) Limited (stock code: 689) since April 2013. He has been appointed as the Company Secretary of Asian Capital Resources (Holdings) Limited (stock code: 8025) since April 2012.

Mr. Lam holds a bachelor's degree in Business Administration from The Chinese University of Hong Kong. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a charterholder of the Chartered Financial Analyst.

Ms. Li Ling Xiu (李靈修), aged 50, has been an independent non-executive Director of the Company since 7 March 2012. She was the group deputy general manager of China Strategic Holdings Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 235). She has been serving as the chief executive officer and a director of Chip Lian Investments (HK) Limited since January 2001. Ms. Li obtained a bachelor's degree of Arts (文學學士學位) in English Language from Hunan Normal University (湖南師範學院) in July 1984 and successfully completed the Advanced Management Program at Harvard Business School from September 2000 to November 2000. Ms. Li has been an non-executive director of IPC Corporation Limited since May 2009 and was non-executive director of Metech International Limited (formerly known as Centillion Environment & Recycling Limited) from September 2006 to March 2013, the shares of both companies are listed on the Singapore Stock Exchange.

Ms. Lam Ling (林玲), aged 40, has been an independent non-executive Director of the Company since 7 March 2012. She has more than 10 years of experience in the corporate finance industry. She worked in G.T. Investment Limited as an executive assistant from February 1999 to January 2000. During the period from January 2000 to May 2001, Ms. Lam worked at Core Pacific Yamaichi International (H.K.) Limited and was an assistant manager of its corporate and private banking department when she left. She then worked at CSC Securities (HK) Limited as an associate director in its sales/dealing department from May 2001 to March 2003. She worked as an associate director in the equity capital markets department of China Merchants Securities (HK) Company Limited from May 2003 to January 2007. She has been working as an associate director in Wag Worldsec Corporate Finance Limited since January 2007. Ms. Lam obtained a master's degree in Economics from The University of Hong Kong in November 2008 and a bachelor's degree of Arts in Languages with Business from The Hong Kong Polytechnic University in November 1996.

SENIOR MANAGEMENT

Mr. Ong King Keung (王競強), aged 37, has been the chief financial officer and company secretary of the Group since 18 April 2011. He obtained a master's degree of Science in Finance from The City University of Hong Kong in October 2007 and a bachelor's degree of Arts in Accountancy from The Hong Kong Polytechnic University in November 1998. He has over 10 years of experience in accounting and auditing. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants.

REPORT OF THE DIRECTORS

The Directors hereby present their first report and the audited consolidated financial statements for the year ended 31 March 2013.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries are set out in note 30 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

An analysis of the Group's performance for the year by segments is set out in note 7 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The Group's profit for the year ended 31 March 2013 and the state of affairs of the Company and of the Group as at that date are set out in the financial statements on pages 28 to 82.

The Directors recommend the payment of a final dividend of HK2.2 cents per share and special dividend of HK1.1 cents per share, totalling HK$33,000,000 in respect of the year ended 31 March 2013 to all shareholders whose names appear on the register of members of the Company on 9 August 2013, which is expected to be paid on or about 16 August 2013.

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. Such net proceeds were derived after deduction of related issuance expenses. As at 31 March 2013, the Group used net proceeds of approximately HK$44.8 million, of which approximately HK$13.3 million was used for establishing an additional office in Hong Kong as well as recruiting additional staff members and approximately HK$31.5 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 the Company's 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.

SUMMARY FINANCIAL INFORMATION

The summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 2 to 3.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in the Company's share capital and share options during the year are set out in notes 22 and 25, respectively, to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

DISTRIBUTABLE RESERVES

As at 31 March 2013, the Company's reserves available for cash distribution and/or distribution in specie amounted to HK$119,998,000 as computed in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, of which HK$33,000,000 has been proposed as final and special dividends for the year. In addition, subject to the solvency test under the Cayman Companies Law being met, the Company's share premium account, with a balance of HK$314,232,000 as at 31 March 2013, may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of sales and purchases for the year attributable to the Group's major customers and suppliers were as follows:

(1) The aggregate amount of revenue attributable to the Group's five largest customers represented approximately 37.2% of the Group's total revenue. The amount of revenue to the Group's largest customer represented approximately 11.4% of the Group's total revenue.

(2) The aggregate amount of purchases attributable to the Group's five largest suppliers represented approximately 29.3% of the Group's total purchases. The amount of purchases from the Group's largest supplier represented approximately 7.3% of the Group's total purchases.

None of the Directors nor any of their associates nor any shareholders (which, to the best knowledge of the Directors, owns more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and/or five largest suppliers during the year.

REPORT OF THE DIRECTORS *(Continued)*

DIRECTORS

The Directors during the year and up to the date of this report were as follows:

Executive Directors:

Mr. Liu Tianni
Mr. Xie Wen Zhao (Appointed on 1 May 2013)
Ms. Chan Pui Kei (Resigned on 1 May 2013)

Non-executive Director:

Ms. Sun Bin (Redesignated from executive Director to non-executive Director on 1 May 2013)

Independent non-executive Directors:

Mr. Lam Ting Lok
Ms. Li Ling Xiu
Ms. Lam Ling

Mr. Xie Wen Zhao, Ms. Sun Bin, Mr. Lam Ting Lok and Ms. Lam Ling will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting in accordance with Article 84 of the Company's articles of association.

The Company has received annual confirmation of independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") from all independent non-executive Directors and still considers them to be independent.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

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 year.

REPORT OF THE DIRECTORS *(Continued)*

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year.

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

As at 31 March 2013, 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:

(i) The Company

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

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.

REPORT OF THE DIRECTORS *(Continued)*

(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 *(Note)*	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 31 March 2013, 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.

REPORT OF THE DIRECTORS *(Continued)*

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2013, 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:

Name of shareholder	Long/Short position	Beneficial owner	Interest in controlled corporation	Total interests	Percentage of issued capital of the Company
Sapphire Star	Long	750,000,000 *(Note)*	—	750,000,000 *(Note)*	75.0%
Mrs. Liu	Long	—	750,000,000 *(Note)*	750,000,000 *(Note)*	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 31 March 2013, 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.

PARTICULARS OF DIRECTORS OF THE COMPANY WHO WERE DIRECTORS/ EMPLOYEES OF SUBSTANTIAL SHAREHOLDERS

Mr. Liu Tianni is the sole director of Sapphire Star which is a substantial shareholder of the Company.

SHARE OPTION SCHEME

On 7 March 2012, the Company's share option scheme (the "**Scheme**") was adopted. As at 31 March 2013, no share options have been granted under the Scheme.

Details of the Company's Scheme are stated in note 25 to the consolidated financial statements.

REPORT OF THE DIRECTORS *(Continued)*

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year ended 31 March 2013 and up to the date of this report, none of the Directors 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.

AUDIT COMMITTEE

The audit committee comprises three independent non-executive Directors, namely Mr. Lam Ting Lok, Ms. Li Ling Xiu and Ms. Lam Ling. The principal duties of the audit committee include the review and supervision of the Group's financial reporting matters and internal controls.

The audit committee has reviewed with the management about the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters in connection with the preparation of the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2013.

CORPORATE GOVERNANCE

A report on the principal corporate governance practices adopted by the Company is set out on pages 19 to 25.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules throughout the year ended 31 March 2013.

AUDITORS

The consolidated financial statements for the year ended 31 March 2013 have been audited by Messrs. Deloitte Touche Tohmatsu. A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Xie Wen Zhao
Chief Executive Officer and Executive Director

Hong Kong, 21 June 2013

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance practices. During the year, it had met all the code provisions in the Corporate Governance Code (the "**Code**") set out in Appendix 14 to the Listing Rules, except for the deviation from code provision A.2.7 in that 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.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix 10 to the Listing Rules.

Having made specific enquiry of all Directors, they have confirmed compliance with the required standard set out in the Model Code during the year.

BOARD OF DIRECTORS

The Company is governed by the Board which has the responsibility for leadership and monitoring of the Company. The Directors are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. As at the date of this report, the Board comprises six Directors of which two are executive Directors, one is non-executive Director and three are independent non-executive Directors.

The Board sets strategies and directions for the Group's activities with a view to developing its business and enhancing shareholders' value. The Board has delegated the daily operation and day-to-day management of the Group as well as the implementation of the Board's policies and strategies to the executive Directors and management of the Group. The Board is also responsible for performing the corporate governance functions such as developing and reviewing the Company's policies, practices on corporate governance, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, etc. The Board held meetings from time to time whenever necessary. The Board has established procedures to enable directors of the Company, upon reasonable request, to seek independent professional advice in appropriate circumstances at the Company's expense. The Board met 5 times during the year ended 31 March 2013 and all directors attended annual general meeting of the Company held on 31 July 2012.

CORPORATE GOVERNANCE REPORT *(Continued)*

The Board's present composition and attendance of individual Directors at these board meetings and general meeting during the year were as follows:

	Number of meetings held/attended	
	Board	**Annual general meeting**
Executive Directors		
Liu Tianni (*Chairman*)	5/5	1/1
Xie Wen Zhao (*Chief Executive Officer*) (Appointed on 1 May 2013)	N/A	N/A
Chan Pui Kei (resigned on 1 May 2013)	5/5	1/1
Non-executive Director		
Sun Bin (Redesignated from executive Director on 1 May 2013)	5/5	1/1
Independent non-executive Directors		
Lam Ting Lok	5/5	1/1
Li Ling Xiu	5/5	1/1
Lam Ling	5/5	1/1

The Board members have no financial, business, family or other material/relevant relationship with each other.

During the year, all Directors of the Company confirmed that they have participated in training and/or continuous professional development activities, covering topics including updates on the Listing Rules and SFO. The Board has a balance of skills and experience appropriate for the requirements of the business of the Group.

The Company has arranged for appropriate liability insurance to its Directors. The insurance coverage is reviewed on an annual basis.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

During the year, the roles of Chairman and Chief Executive Officer of the Company are separated, and assumed by Mr. Liu Tianni and Ms. Sun Bin respectively with a clear division of responsibilities to assume a balance of authority and power. The role of Ms. Sun Bin has been taken by Mr. Xie Wen Zhao on 1 May 2013.

The Chairman is responsible for the leadership of the Board, ensuring its effectiveness in all aspects of its role and for setting its agenda and taking into account any matters proposed by other Directors for inclusion in the agenda. Through the Board, he is responsible for ensuring that good corporate governance practices and procedures are followed by the Group.

The Chief Executive Officer is responsible for the day-to-day management of the Group's business.

CORPORATE GOVERNANCE REPORT *(Continued)*

NON-EXECUTIVE DIRECTOR/INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors are persons with sound academic and professional qualifications. They advise the Company on strategic development, which enables the Board to maintain high standards of compliance of financial and other mandatory requirements. Each independent non-executive Director has given an annual confirmation of the independence to the Company and the Company considers them to be independent under Rule 3.13 of the Listing Rules.

All the independent non-executive Directors and non-executive Director are appointed for a term of three years but are subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the articles of association of the Company, which stipulate that one-third of the directors, including executive and independent non-executive directors, shall retire from office by rotation so that each director shall be subject to retirement at least once every three years.

REMUNERATION COMMITTEE

The Remuneration Committee was established on 7 March 2012 and has 4 members, comprising Mr. Lam Ting Lok, Ms. Li Ling Xiu, Ms. Lam Ling (all independent non-executive Directors) and Mr. Liu Tianni, one of the executive Directors. This committee is chaired by Ms. Li Ling Xiu.

The terms of reference of the Remuneration Committee have been determined with reference to the Listing Rules and the Code. The Remuneration Committee met once during the year to discuss remuneration package of each Director and senior management of the Company. Except Mr. Lam Ting Lok did not attend the meeting, all members attended the meetings.

The responsibilities of the Remuneration Committee include (a) to make recommendations to the Board on the Company's policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; and (c) to make recommendations to the Board on the remuneration of non-executive Directors; and to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate.

The primary goal of the remuneration on executive remuneration packages is to enable the Group to motivate executive Directors and senior management by linking their remuneration with reference to the Group's operation results, with reference to individual performances and comparable market statistics.

CORPORATE GOVERNANCE REPORT *(Continued)*

The principal elements of the Group's executive remuneration package include:

- basic salary;
- discretionary bonus without capping; and
- share options granted under a shareholders' approved option scheme.

NOMINATION COMMITTEE

The Nomination Committee was established on 7 March 2012 and has 4 members, comprising Mr. Lam Ting Lok, Ms. Li Ling Xiu, Ms. Lam Ling (all independent non-executive Directors) and Mr. Liu Tianni, one of the executive Directors. This committee is chaired by Ms. Li Ling Xiu.

The terms of reference of the Nomination Committee have been determined with reference to the Listing Rules and the Code. The Nomination Committee met once during the year to review the composition of the Board and all members attended this meeting.

The responsibilities of the Nomination Committee are (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships; (c) to assess the independence of independent non-executive Directors; and (d) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the chief executive.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibility for preparing the accounts of the Company. As at 31 March 2013, the Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the financial statements of the Company on a going-concern basis.

The responsibilities of the external auditors about their financial reporting are set out in the independent auditor's report attached to the Company's consolidated financial statements for the year ended 31 March 2013.

Internal Controls

The Board conducts regular review and evaluation of the ongoing effectiveness and adequacy of the Group's internal control system covering all controls, including financial, operational, compliance and risk management controls. Appropriate measures and actions have been taken during the year ended 31 March 2013 on areas where rooms for improvement were identified.

AUDITORS' REMUNERATION

For the year ended 31 March 2013, fees paid/payable to the Company's external auditors for audit services and non-audit services are set out as follows:

Services rendered	**Fees paid/payable** *(HK$'000)*
Audit services	900
Review on preliminary results announcement for the year ended 31 March 2013	10
Tax review	43
	953

CORPORATE GOVERNANCE REPORT *(Continued)*

AUDIT COMMITTEE

The Audit Committee was established on 7 March 2012 and has 3 members, comprising Mr. Lam Ting Lok, Ms. Li Ling Xiu and Ms. Lam Ling (all independent non-executive Directors). This committee is chaired by Mr. Lam Ting Lok.

The terms of reference of the Audit Committee follow the Listing Rules and the Code. The Audit Committee met twice during the year to review the interim and annual results of the Group as well as the accounting principles and practices being adopted, internal control and financial reporting matters. All members attended the meetings.

The responsibilities of the Audit Committee include (a) to assist the Board in providing an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Company and its subsidiaries, overseeing the audit process and performing other duties and responsibilities as assigned by the Board; (b) to assure that appropriate accounting principles and reporting practices are followed; (c) to be primarily responsible for making recommendation to the Board on the appointment, re-appointment and removal of the authorized independent auditors (the "**External Auditors**"), and to approve the remuneration and terms of engagement of the External Auditors, and any questions of its resignation or dismissal; (d) to review and monitor the External Auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard; (e) to monitor integrity of the Company's financial statements and reports and to review significant financial reporting judgments contained in them; (f) to review the financial controls, internal control and risk management system; and (g) to review the Group's financial and accounting policies and practices.

COMPANY SECRETARY

Mr. Ong King Keung is the company secretary of the Company. Mr. Ong has taken no less than 15 hours of relevant professional training during the year.

CORPORATE GOVERNANCE REPORT *(Continued)*

SHAREHOLDERS' RIGHTS

Shareholders convening an extraordinary general meeting

Pursuant to article 58 of the Articles of Association, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Shareholders' enquiries and proposals

The Company maintains a website at www.wsfg.hk as a communication platform with shareholders and investors, where extensive information and updates on the Company's business developments and operations, financial and other information are available for public access. Shareholders and investors may send written enquires or requests to the Company at 6/F, Nexxus Building, 41 Connaught Road Central, Central, Hong Kong. The company secretary and relevant personnels shall report the shareholders' enquires and concerns to the Board and /or relevant Board committees of the Company and where appropriate, respond to such enquires.

SHAREHOLDERS COMMUNICATION AND INVESTOR RELATIONS

The objective of shareholder communication is to provide our shareholders with detailed information about the Company so that they can exercise their rights as shareholders in an informed manner.

The Company uses a range of communication tools to ensure its shareholders are kept well informed of key business imperatives. These include annual general meeting, annual report, various notices, announcements and circulars. Procedure for voting by poll has been read out by the chairman at the general meeting. Annual general meeting provides a forum for shareholders of the Company to raise comments and exchange views with the Board. The Chairman and the Directors are available to at annual general meetings to address shareholders' queries. Separate resolution was proposed on each substantially separate issue and procedures for demanding a poll in general meetings are included in circular to the shareholders to facilitate the enforcement of shareholders' rights. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. As such, all resolutions set out in the notice of the 2013 annual general meeting of the Company will be voted by poll.

During the year, there are no changes in the Company's Memorandum and Articles of Association. An up-to-date consolidated version of the Company's Memorandum and Articles of Association are available on the Company's website.

INDEPENDENT AUDITOR'S REPORT

Deloitte.
德勤

TO THE MEMBERS OF
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)

We have audited the consolidated financial statements of Wonderful Sky Financial Group Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 28 to 82, which comprise the consolidated statement of financial position as at 31 March 2013, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

INDEPENDENT AUDITOR'S REPORT *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2013 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
21 June 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2013

	NOTES	**2013** *HK$'000*	2012 *HK$'000*
Revenue	7	**343,539**	328,821
Direct costs		**(160,027)**	(146,573)
Gross profit		**183,512**	182,248
Other income		**7,951**	2,948
Selling expenses		**(12,012)**	(6,970)
Administrative expenses		**(38,961)**	(28,129)
Other expenses, gains and losses	8	**7,349**	(4,734)
Profit before taxation	9	**147,839**	145,363
Taxation	11	**(24,201)**	(24,956)
Profit and total comprehensive income for the year attributable to owners of the Company		**123,638**	120,407
Earnings per share — Basic	13	**HK12.4 cents**	HK16.0 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2013

	NOTES	2013 HK$'000	2012 HK$'000
Non-current asset			
Property, plant and equipment	14	**2,367**	1,458
Current assets			
Work in progress	15	**5,450**	6,319
Accrued revenue	16	**1,000**	4,010
Trade and other receivables	16	**114,433**	86,707
Amounts due from related parties	17	**6,947**	1,175
Short-term investment	18	**100,000**	—
Bank balances and cash	19, 27	**353,954**	432,771
		581,784	530,982
Current liabilities			
Trade and other payables	20	**47,455**	42,971
Taxation payable		**2,654**	11,033
		50,109	54,004
Net current assets		**531,675**	476,978
Total assets less current liabilities		**534,042**	478,436
Non-current liability			
Deferred tax liabilities	21	**90**	122
Net assets		**533,952**	478,314
Capital and reserves			
Share capital	22	**10,000**	10,000
Reserves		**523,952**	468,314
Total equity		**533,952**	478,314

The consolidated financial statements on pages 28 to 82 were approved and authorised for issue by the Board of Directors on 21 June 2013 and are signed on its behalf by:

DIRECTOR

DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2013

	Share capital *HK$'000*	Share premium *HK$'000*	Merger reserve *HK$'000* *(note i)*	Capital reserve *HK$'000* *(note ii)*	Accumulated profits *HK$'000*	Total *HK$'000*
At 1 April 2011	—	—	10	(1)	70,666	70,675
Profit and total comprehensive income for the year	—	—	—	—	120,407	120,407
Dividend recognised as distribution *(note 12)*	—	—	—	—	(37,000)	(37,000)
Capitalisation issue *(note 22(c))*	7,500	(7,500)	—	—	—	—
Issue of shares by the Company on public share offering *(note 22(d))*	2,500	345,000	—	—	—	347,500
Expenses incurred in connection with the issue of shares	—	(23,268)	—	—	—	(23,268)
At 31 March 2012	10,000	314,232	10	(1)	154,073	478,314
Profit and total comprehensive income for the year	**—**	**—**	**—**	**—**	**123,638**	**123,638**
Dividend recognised as distribution *(note 12)*	**—**	**—**	**—**	**—**	**(68,000)**	**(68,000)**
At 31 March 2013	**10,000**	**314,232**	**10**	**(1)**	**209,711**	**533,952**

Notes:

(i) The merger reserve of Wonderful Sky Financial Group Holdings Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as 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.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2013

	NOTE	**2013** *HK$'000*	2012 *HK$'000*
Operating activities			
Profit before taxation		**147,839**	145,363
Adjustments for:			
Interest income from bank deposits		**(2,774)**	(377)
Depreciation		**1,188**	801
Impairment loss reversed on trade receivables, net		**(2,142)**	(1,370)
Impairment loss recognised on amount due from a related party		**2,223**	—
Investment income from short-term investment		**(2,850)**	—
Net gain on disposal of investments held-for-trading		**(7,512)**	—
Operating cash flows before movements in working capital		**135,972**	144,417
Decrease (increase) in work in progress		**869**	(5,332)
Decrease in accrued revenue		**3,010**	26,376
Increase in trade and other receivables		**(25,584)**	(23,887)
Increase in investments held-for-trading		**7,512**	—
Increase in trade and other payables		**4,484**	8,230
(Increase) decrease in amounts due from related parties		**(8,625)**	1,349
Cash generated from operations		**117,638**	151,153
Income tax paid		**(32,612)**	(32,865)
Net cash from operating activities		**85,026**	118,288

CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

	NOTE	2013 HK$'000	2012 HK$'000
Investing activities			
Interest received from bank deposits		**2,774**	377
Purchase of short-term investment		**(100,000)**	—
Interest received from short-term investment		**2,850**	—
Repayments from a director		**—**	24,175
Advances to a director		**—**	(6,668)
Purchase of property, plant and equipment		**(2,097)**	(1,225)
Advances to related parties		**—**	(49)
Repayments from a related party		**630**	19
Withdrawal of pledged bank balance		**400**	—
Placement of pledged bank balance		**—**	(400)
Net cash (used in) from investing activities		**(95,443)**	16,229
Financing activities			
Proceeds on issue of shares		**—**	347,500
Expenses incurred in connection with the issue of shares		**—**	(23,268)
Dividends paid		**(68,000)**	(37,000)
Net cash (used in) from financing activities		**(68,000)**	287,232
Net (decrease) increase in cash and cash equivalents		**(78,417)**	421,749
Cash and cash equivalents at beginning of the year		**432,371**	10,622
Cash and cash equivalents at end of the year	27	**353,954**	432,371

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

1. GENERAL AND BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

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 annual 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 shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 30 March 2012.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountant ("**HKICPA**").

Amendments to HKAS 12	Deferred tax: Recovery of underlying asset
Amendments to HKFRS 7	Financial instruments: Disclosures — Transfers of financial assets

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(CONTINUED)*

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual improvements to HKFRSs 2009-2011 cycle[1]
Amendments to HKFRS 7	Disclosures - Offsetting financial assets and financial liabilities[1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures[3]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance[1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities[2]
HKFRS 9	Financial instruments[3]
HKFRS 10	Consolidated financial statements[1]
HKFRS 11	Joint arrangements[1]
HKFRS 12	Disclosure of interests in other entities[1]
HKFRS 13	Fair value measurement[1]
HKAS 19 (as revised in 2011)	Employee benefits[1]
HKAS 27 (as revised in 2011)	Separate financial statements[1]
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures[1]
Amendments to HKAS 1	Presentation of items of other comprehensive income[4]
Amendments to HKAS 32	Offsetting financial assets and financial liabilities[2]
HK(IFRIC)-INT 20	Stripping costs in the production phase of a surface mine[1]

[1] Effective for annual periods beginning on or after 1 January 2013.
[2] Effective for annual periods beginning on or after 1 January 2014.
[3] Effective for annual periods beginning on or after 1 January 2015.
[4] Effective for annual periods beginning on or after 1 July 2012.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(CONTINUED)*

HKFRS 9 "Financial instruments"

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 "Financial instruments: recognition and measurement" are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The directors anticipate that the adoption of HKFRS 9 for annual period beginning 1 April 2015 will have impact on the classification and measurement of available-for-sale investment reported in respect of the Group's financial assets but not on the Group's financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(CONTINUED)*

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and separate financial statements" that deal with consolidated financial statements. HK(SIC)-INT 12 "Consolidation — Special purpose entities" will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 "Interests in joint ventures". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK(SIC)-INT 13 "Jointly controlled entities — Non-monetary contributions by venturers" will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(CONTINUED)*

New and revised standards on consolidation, joint arrangements, associates and disclosures *(Continued)*

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013 with earlier application is permitted provided that all of these standards are applied at the same time.

The directors anticipate that the application of these five standards effective for annual period beginning 1 April 2013 will not have significant impact on the results and financial position of the Group as the Group does not have any associates or jointly controlled entities at 31 March 2013.

HKFRS 13 "Fair value measurement"

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 "Financial instruments: Disclosures" will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013.

The directors anticipate that the application of the new Standard will not have a significant impact on the amounts reported in the consolidated financial statements but will result in more extensive disclosures in the consolidated financial statements. The directors of the Company anticipate that this standard will be adopted for annual period beginning 1 April 2013.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(CONTINUED)*

Amendments to HKAS 1 "Presentation of items of other comprehensive income"

The amendments to HKAS 1 "Presentation of items of other comprehensive income" introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a "statement of comprehensive income" is renamed as a "statement of profit or loss and other comprehensive income". The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis — the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods. The directors of the Company anticipate that this standard will be adopted for annual period beginning 1 April 2013.

The directors of the Company anticipate that the application of other new and revised HKFRS will have no material impact on the consolidated financial statements of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis and in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts.

Service income from retainer services is recognised on a straight-line basis over the term of the service period when the relevant services are rendered.

Service income from clients seeking initial public offering ("**IPO Clients**") is recognised when the relevant services are rendered to the relevant IPO Clients, which approximates the time when the IPO Clients are listed.

Service income from other non-routine project-based non-IPO Clients ("**non-IPO Clients**") and international roadshow clients are recognised when the relevant services are rendered to the relevant non-IPO Clients and international roadshow clients, which approximates the completion of the relevant non-routine projects or international roadshow event.

When related services have been rendered but not yet billed to the customers at the end of the reporting period, revenue is recognised in accordance with the relevant policy as set out above, with the corresponding amounts recorded as accrued revenue at the end of the reporting period. It will be transferred to invoiced amount under trade receivables once the customer is billed and invoice is issued.

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Revenue recognition *(Continued)*

Usually the Group requires sales deposits from IPO Clients and makes progress billings for services rendered. Occasionally, IPO Clients may decide to delay the listing timetable. Under such circumstances, sales deposits received by the Group of which services have yet to be rendered pending the completion of the IPO will be accounted for as deposits received and included in current liabilities in the consolidated statement of financial position. In rare cases, IPO Clients may decide to terminate the IPO process. Under these circumstances, sales deposits received by the Group and project-based fees for services rendered will be recognised as revenue immediately when the Group received termination notice from the relevant IPO Clients.

For projects costs incurred at initial stage of the project which outcome of the transaction can be estimated reliably and costs incurred expected to be recoverable, the costs incurred are deferred and recorded as work in progress. Such costs are recognised in the consolidated statement of comprehensive income when the corresponding revenue is recognised upon services being rendered in the manner as discussed above.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each reporting period.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Work in progress

Work in progress represents cost incurred on incomplete wide range of financial public relations and international roadshow projects that comprise costs directly incurred in providing the services and attributable overheads. Work in progress is stated at lower of cost and net realisable value.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss ("**FVTPL**"), loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Financial assets at fair value through profit or loss

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated as at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the other gains and losses line item in the consolidated statement of comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including accrued revenue, trade receivables, amounts due from related parties and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Available-for-sale financial assets

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

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment loss on financial assets below).

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

For certain categories of financial asset such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the general credit period of 30 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Financial liabilities

Financial liabilities including trade and other payables are subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligation specified in the relevant contract is discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on the tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Taxation *(Continued)*

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Impairment

At the end of the reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

3. SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

Impairment *(Continued)*

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

4. KEY SOURCE OF ESTIMATION UNCERTAINTY

The following is the key assumption concerning the future, and other key source of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated impairment loss recognised on trade receivables/amounts due from related parties

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise.

As at 31 March 2013, the carrying amounts of trade receivables are HK$110,169,000 (2012: HK$83,957,000) (net of allowance for bad and doubtful debts of HK$518,000 and HK$2,660,000), respectively.

As at 31 March 2013, the carrying amounts of amounts due from related parties are HK$6,947,000 (2012: HK$1,175,000) (net of allowance for bad and doubtful debts of HK$2,223,000 and HK$nil), respectively.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising share capital, reserves and accumulated profits.

The directors of the Group reviews the capital structure regularly. The directors consider the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through the payment of dividends and new share issues.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2013	2012
	HK$'000	*HK$'000*
Financial assets		
Loans and receivables		
(including cash and cash equivalents)	**472,070**	521,913
Available-for-sale investments	**100,000**	—
Financial liabilities		
Amortised cost	**33,134**	22,773

Financial risk management objectives and policies

The Group's major financial instruments include accrued revenue, trade receivables, amounts due from related parties, short-term investment, bank balances and cash and trade and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances (note 19). The Group currently does not have a policy on cash flow hedges of interest rate risk. However, the management monitors interest rate risk exposure and will consider hedging significant interest rate risk should the need arise.

The Group also exposed to fair value interest rate risk in relation to the fixed bank deposit. However, the management considers the fair value interest rate risk on the fixed bank deposit is insignificant as the fixed bank deposit within short maturity period and thus it is not included in sensitivity analysis. The management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

6. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies *(Continued)*

Interest rate risk *(Continued)*

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for variable-rate bank balances. The analysis is prepared assuming that the amount of assets outstanding at the end of the reporting period were outstanding for the whole year. 25 basis points increase or decrease represent the management's assessment of the reasonably possible change in interest rates of bank balances. The calculation of 25 basis points decrease in interest rates of bank balances excluded the bank balances in Hong Kong of HK$314,105,000 (2012: HK$19,357,000) as at 31 March 2013 which carried an interest rate below 0.25%.

If interest rates on bank balances had been 25 basis points higher/lower and all other variables were held constant, the potential effect on the Group's post-tax profit for the year ended 31 March 2013 is as follows:

	2013 ***HK$'000***	2012 *HK$'000*
Increase (decrease) in profit for the year		
— as a result of increase in interest rate	**666**	40
— as a result of decrease in interest rate	**10**	—

6. FINANCIAL INSTRUMENTS *(CONTINUED)*

Financial risk management objectives and policies *(Continued)*

Credit risk

As at 31 March 2013, the Group's maximum exposure to credit risk which will cause a financial loss to the Group in the event of the counterparties failure to perform their obligations as at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, the management reviews the recoverable amount of each individual debt and accrued revenue regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, the management considers that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk on amounts due from related parties as at 31 March 2013 and 2012. The management considers the credit risk is insignificant because the counterparties are of sound financial position.

The credit risk on liquid funds is limited because the Group's bank balances are deposited with several banks of high credit ratings in Hong Kong.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of customers and spread across diverse industries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

6. FINANCIAL INSTRUMENTS *(CONTINUED)*

Financial risk management objectives and policies *(Continued)*

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Weighted average interest rate	Repayable on demand or within 1 year	Total undiscounted cash flows	Carrying amounts
	%	*HK$'000*	*HK$'000*	*HK$'000*
As at 31 March 2013				
Trade and other payables	N/A	33,134	33,134	33,134
As at 31 March 2012				
Trade and other payables	N/A	22,773	22,773	22,773

Fair values

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their corresponding fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

7. REVENUE AND SEGMENT INFORMATION

The Group's operating activities are attributable to two operating segments focusing on provision of different types of services, 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 of the Company, 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 and operating segment:

For the year ended 31 March 2013

	Provision of financial public relations services *HK$'000*	Organisation and coordination of international roadshow services *HK$'000*	Consolidated *HK$'000*
Revenue	301,201	42,338	343,539
Segment profit	161,830	8,402	170,232
Unallocated corporate income			7,951
Net gain on disposal of investments held-for-trading			7,512
Staff costs (including retirement benefit scheme contributions)			(18,489)
Operating lease rentals			(7,969)
Other unallocated corporate expenses			(11,398)
Profit before taxation			147,839

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

7. REVENUE AND SEGMENT INFORMATION *(CONTINUED)*

Segment revenue and results *(Continued)*

For the year ended 31 March 2012

	Provision of financial public relations services *HK$'000*	Organisation and coordination of international roadshow services *HK$'000*	Consolidated *HK$'000*
Revenue	286,428	42,393	328,821
Segment profit	167,440	8,406	175,846
Unallocated corporate income			2,948
Staff costs (including retirement benefit scheme contributions)			(17,518)
Operating lease rentals			(3,670)
Listing expenses (included in other expenses, gains and losses)			(6,068)
Other unallocated corporate expenses			(6,175)
Profit before taxation			145,363

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of other income, net gain on disposal of investments held-for-trading, central administration costs and directors' salaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

7. REVENUE AND SEGMENT INFORMATION *(CONTINUED)*

Segment assets and liabilities

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

At 31 March 2013

	Provision of financial public relations services *HK$'000*	Organisation and coordination of international roadshow services *HK$'000*	Consolidated *HK$'000*
Assets			
Segment assets	111,343	14,836	126,179
Bank balances and cash			353,954
Short-term investment			100,000
Other unallocated assets			4,018
Total assets			584,151
Liabilities			
Segment liabilities	35,814	6,118	41,932
Taxation payable			2,654
Other unallocated liabilities			5,613
Total liabilities			50,199

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

7. REVENUE AND SEGMENT INFORMATION *(CONTINUED)*

Segment assets and liabilities *(Continued)*

At 31 March 2012

	Provision of financial public relations services *HK$'000*	Organisation and coordination of international roadshow services *HK$'000*	Consolidated *HK$'000*
Assets			
Segment assets	83,966	12,322	96,288
Bank balances and cash			432,771
Other unallocated assets			3,381
Total assets			532,440
Liabilities			
Segment liabilities	33,361	2,904	36,265
Taxation payable			11,033
Other unallocated liabilities			6,828
Total liabilities			54,126

For the purposes of monitoring segment performance and allocating resources between segments:

— all assets are allocated to reportable segments except for deposits and prepayment, amount due from a related party, short-term investment and bank balances and cash.

— all liabilities are allocated to reportable segments except for accrued administrative expenses, taxation payable and deferred tax liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

7. REVENUE AND SEGMENT INFORMATION *(CONTINUED)*

Other segment information

For the year ended 31 March 2013

	Provision of financial public relations services *HK$'000*	Organisation and coordination of international roadshow services *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
Amounts included in the measure of segment profit or segment assets:				
Addition to non-current assets	2,097	—	—	2,097
Depreciation	1,170	18	—	1,188
Reversal of bad and doubtful debts on trade receivables, net	(2,152)	10	—	(2,142)
Impairment loss recognised on amount due from a related party	2,223	—	—	2,223
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit:				
Income tax expenses	21,878	831	1,492	24,201

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

7. REVENUE AND SEGMENT INFORMATION *(CONTINUED)*

Other segment information *(Continued)*

For the year ended 31 March 2012

	Provision of financial public relations services *HK$'000*	Organisation and coordination of international roadshow services *HK$'000*	Consolidated *HK$'000*
Amounts included in the measure of segment profit or segment assets:			
Addition to non-current assets	1,207	18	1,225
Depreciation	788	13	801
Reversal of bad and doubtful debts on trade receivables, net	(1,370)	—	(1,370)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit:			
Income tax expenses	23,583	1,373	24,956

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	2013 *HK$'000*	2012 *HK$'000*
Customer A[1]	**39,324**[1]	—[2]

[1] Revenue from the provision of financial public relations services.

[2] This is the new customer of the Group during the year ended 31 March 2013.

During the years ended 31 March 2013 and 2012, no analysis of revenue from external customers for each type of services is presented as the directors consider the cost to develop would be excessive. All of the Group's revenue and non-current assets are arisen in and located in Hong Kong, the place of domicile of the relevant entities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

8. OTHER EXPENSES, GAINS AND LOSSES

	2013 *HK$'000*	2012 *HK$'000*
Listing expenses	—	(6,068)
Reversal of bad and doubtful debts on trade receivables, net	**2,142**	1,370
Impairment loss recognised on amount due from a related party	**(2,223)**	—
Net gain on disposal of investments held-for-trading *(Note)*	**7,512**	—
Foreign exchange losses	**(82)**	(36)
	7,349	(4,734)

Note: The investments held-for-trading represents investment in unlisted corporate debt securities acquired through financial institutions during the year ended 31 March 2013.

9. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging:

	2013 *HK$'000*	2012 *HK$'000*
Directors' and chief executive officer's remuneration *(note 10)*	**6,757**	9,984
Other staff costs	**31,077**	22,697
Retirement benefit scheme contributions for other staff	**1,963**	1,187
	39,797	33,868
Auditor's remuneration	**900**	900
Depreciation	**1,188**	801
Operating lease rentals in respect of office premises	**7,969**	3,670
Impairment loss recognised on amount due from a related party	**2,223**	—
and after crediting:		
Interest income from bank deposits	**2,774**	377
Commission income (included in other income)	**2,269**	2,529
Investment income from short-term investment (included in other income)	**2,850**	—
Reversal of bad and doubtful debts on trade receivables, net	**2,142**	1,370

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

10. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of 6 (2012: 7) directors and the chief executive officer were as follows:

	Directors' fee	Salaries and allowances	Performance related incentive payments	Retirement benefit scheme contributions	Total
	HK$'000	*HK$'000*	*HK$'000* *(note)*	*HK$'000*	*HK$'000*
For the year ended 31 March 2013					
Mr. Liu Tianni	—	3,600	300	15	3,915
Ms. Chan Pui Kei (resigned on 1 May 2013)	—	640	106	15	761
Ms. Sun Bin	—	1,320	386	15	1,721
Ms. Lam Ling	120	—	—	—	120
Mr. Lam Ting Lok	120	—	—	—	120
Ms. Li Ling Xiu	120	—	—	—	120
	360	5,560	792	45	6,757
For the year ended 31 March 2012					
Mr. Liu Tianni	—	3,400	2,815	12	6,227
Ms. Chan Pui Kei	—	586	96	12	694
Ms. Sun Bin	—	1,220	1,000	5	2,225
Ms. Lam Ling (appointed on 7 March 2012)	1	—	—	—	1
Mr. Lam Ting Lok (appointed on 7 March 2012)	1	—	—	—	1
Ms. Li Ling Xiu (appointed on 7 March 2012)	1	—	—	—	1
Ms. Chan Ka Ling, Joanne (resigned on 1 October 2011)	—	428	401	6	835
	3	5,634	4,312	35	9,984

Note: The performance related incentive payment is determined with reference to the Group's operating results, individual performances and comparable market statistics.

Ms. Sun Bin is also the chief executive officer of the Company and her emoluments disclosed above include those for services rendered by her as the chief executive officer. She is re-designated as non-executive director of the Company and Mr. Xie Wen Zhao is appointed as the executive director and chief executive officer of the Company with effect from 1 May 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

10. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S AND EMPLOYEES' EMOLUMENTS *(CONTINUED)*

(b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, three (2012: three) were directors and the chief executive officer of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining two (2012: two) individuals were as follows:

	2013	2012
	HK$'000	*HK$'000*
Salaries and allowances	**1,900**	1,940
Performance related incentive payments	**222**	390
Retirement benefit scheme contributions	**20**	24
	2,142	2,354

Their emoluments were within the following bands:

	2013	2012
nil to HK$1,000,000	**1**	—
HK$1,000,001 to HK$1,500,000	**1**	2

During the years ended 31 March 2013 and 2012, no emoluments were paid by the Group to the directors and the chief executive officer of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments in both years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

11. TAXATION

	2013	2012
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
— current tax	**24,226**	24,922
— underprovision in prior years	**7**	28
	24,233	24,950
Deferred taxation *(note 21)*	**(32)**	6
	24,201	24,956

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

The taxation charge for the year can be reconciled to the profit per the consolidated statement of comprehensive income as follows:

	2013	2012
	HK$'000	*HK$'000*
Profit before taxation	**147,839**	145,363
Calculated at a taxation rate of 16.5%	**24,393**	23,985
Expenses not deductible for tax purposes	**258**	1,005
Income not taxable for tax purposes	**(457)**	(62)
Underprovision in prior years	**7**	28
Taxation charge	**24,201**	24,956

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

12. DIVIDENDS

The final dividend of HK2.2 cents per share and special dividend of HK1.1 cents per share, totalling of HK$33,000,000, in respect of the year ended 31 March 2013 has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

During the year ended 31 March 2012, the Company declared and paid an interim dividend for the year ended 31 March 2012 of HK$37,000,000 to its then sole member.

During the year ended 31 March 2013, the Company declared and paid a final dividend of HK1.9 cents per share and a special dividend of HK0.8 cent per share, totalling HK$27,000,000, in respect of the year ended 31 March 2012 and an interim dividend of HK2.8 cents per share and a special dividend of HK1.3 cents per share, totalling HK$41,000,000, in respect of the year ended 31 March 2013.

13. EARNINGS PER SHARE

The calculation of the basic earnings per share for the year is based on the consolidated profit attributable to owners of the Company and on the 1,000,000,000 ordinary shares in issue during the year (2012: weighted average number of 751,366,120 ordinary shares in issue during that year which was on the assumption that the group reorganisation and the capitalisation issue of 749,999,220 ordinary shares of HK$0.01 each of the Company at par value on 7 March 2012 as described in note 22 had been effective on 1 April 2011).

No dilutive earnings per share is presented as there were no potential dilutive shares during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements *HK$'000*	Furniture and fixtures *HK$'000*	Motor vehicles *HK$'000*	Computer equipment *HK$'000*	Total *HK$'000*
COST					
At 1 April 2011	—	420	1,612	1,365	3,397
Additions	343	91	620	171	1,225
At 31 March 2012	343	511	2,232	1,536	4,622
Additions	1,130	487	—	480	2,097
At 31 March 2013	1,473	998	2,232	2,016	6,719
DEPRECIATION					
At 1 April 2011	—	342	1,292	729	2,363
Provided for the year	59	71	329	342	801
At 31 March 2012	59	413	1,621	1,071	3,164
Provided for the year	373	149	270	396	1,188
At 31 March 2013	432	562	1,891	1,467	4,352
CARRYING VALUES					
At 31 March 2013	1,041	436	341	549	2,367
At 31 March 2012	284	98	611	465	1,458

Depreciation is provided to write off the above property, plant and equipment over their estimated useful lives, using the straight-line method, at 30% per annum.

15. WORK IN PROGRESS

	2013 *HK$'000*	2012 *HK$'000*
Project costs incurred and not yet billed	**5,450**	6,319

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

16. ACCRUED REVENUE AND TRADE AND OTHER RECEIVABLES

	2013 *HK$'000*	2012 *HK$'000*
Accrued revenue	**1,000**	4,010
Trade receivables, net of allowance	**110,169**	83,957
Other receivables		
— Deposits	**3,559**	1,466
— Prepayments	**399**	1,219
— Staff advances	**306**	65
	4,264	2,750
Total trade and other receivables	**114,433**	86,707

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 the 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

16. ACCRUED REVENUE AND TRADE AND OTHER RECEIVABLES *(CONTINUED)*

The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates:

	2013 *HK$'000*	2012 *HK$'000*
Trade receivables:		
Invoiced		
— Within 30 days	**51,249**	41,583
— 31 to 90 days	**23,892**	16,499
— 91 days to 1 year	**35,028**	25,875
	110,169	83,957

The following is an aged analysis of trade receivables which are past due but not impaired at the end of the reporting period:

	2013 *HK$'000*	2012 *HK$'000*
31 to 90 days	**23,892**	16,499
91 days to 1 year	**35,028**	25,875
	58,920	42,374

Included in the Group's trade receivable balance as at 31 March 2013 are debtors with aggregate carrying amount of HK$58,920,000 (2012: HK$42,374,000) which are past due at the reporting date for which the Group has not provided for impairment loss as these receivables are either subsequently settled or due from certain major customers with no history of default during the year and have strong financial background and good creditability. The Group does not hold any collateral over these balances.

The Group's management closely monitors the credit quality of trade receivables and considers the trade receivables that are neither past due nor impaired to be of a good credit quality with satisfactory settlement history. Based on the payment history of the IPO Clients and non-IPO Clients of the Group, trade receivables which are past due but not impaired are generally collectible. Allowance on doubtful debts recognised during the year are based on estimated irrecoverable amounts from the rendering of retainer services by reference to past default experience. No allowance on doubtful debts recognised during the year are related to service income arising from organisation and coordination of international roadshow services by reference to the financial background and creditability of corporate customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

16. ACCRUED REVENUE AND TRADE AND OTHER RECEIVABLES *(CONTINUED)*

Movement in the allowance for doubtful debts

	2013 *HK$'000*	2012 *HK$'000*
Balance at beginning of the year	**2,660**	5,153
Impairment loss recognised on receivables	**14**	1,473
Impairment loss reversed	**(2,156)**	(2,843)
Amounts written off as uncollectible	**—**	(1,123)
Balance at end of the year	**518**	2,660

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK$518,000 (2012: HK$2,660,000). For overdue debts, based on the past default experience, payment history of the customers and subsequent settlement, the Group assessed the corporate customers for potential impairment losses. Full provision has been made for individual trade receivables aged over one year with no subsequent settlement as historical evidence shows that such amounts are not recoverable.

17. AMOUNTS DUE FROM RELATED PARTIES

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

	2013 *HK$'000*	2012 *HK$'000*
Chongqing Iron & Steel Company Limited (“**Chongqing Iron & Steel**”) *(note 1)*	**2,982**	487
Qingling Motors Company Limited (“**Qingling Motors**”) *(note 1)*	**58**	58
Luoyang Glass Company Limited (“**Luoyang Glass**”) *(note 1)*	**3,907**	—
Draw Up Assets Limited (“**Draw Up**”) *(note 2)*	**—**	630
	6,947	1,175
Analysed for reporting purposes:		
Current assets	**6,947**	1,175

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

17. AMOUNTS DUE FROM RELATED PARTIES *(CONTINUED)*

Included in the amounts due from related parties is a balance of HK$6,947,000 (2012: HK$545,000), which was trade in nature, representing receivable from the provision of financial public relations services to non-IPO Clients. The Group allows a credit period of 30 days to the related parties. Impairment losses recognised in respect of the amount due from a related party, Luoyang Glass, as at 31 March 2013 amounted to HK$2,223,000 (2012: nil) by reference to past settlement pattern of this related party. Full provision has been made for balance aged over one year with no subsequent settlement as historical evidence shows that such amounts is not recoverable. The remaining balances are unsecured, interest-free and repayable on demand.

The following is an aged analysis of amounts due from related parties with trade in nature net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates:

	2013	2012
	HK$'000	*HK$'000*
Within 30 days	**509**	445
31 - 90 days	**155**	—
91 days to 1 year	**6,283**	100
	6,947	545

The following is an aged analysis of amounts due from related parties with trade in nature which are past due but not impaired at the end of the reporting period:

	2013	2012
	HK$'000	*HK$'000*
31 - 90 days	**155**	—
91 days to 1 year	**6,283**	100
	6,438	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

17. AMOUNTS DUE FROM RELATED PARTIES *(CONTINUED)*

The outstanding balance due from Draw Up represents rental deposits paid and the outstanding balance as at 31 March 2012 had be settled upon termination of the lease term.

Maximum amount outstanding during the year is as follows:

	2013	2012
	HK$'000	*HK$'000*
Draw Up	**630**	689

Notes:

1. Mr. Liu Tianni, the controlling shareholder and director of the Company, is a director of Chongqing Iron & Steel, Qingling Motors and Luoyang Glass.

2. Draw Up is wholly-owned by Mr. Liu Tianni and his spouse.

18. SHORT-TERM INVESTMENT

The short-term investment is classified as available-for-sale investment carried at cost less impairment as at 31 March 2013 and represents investment in unlisted equity fund managed by Cinda Plunkett International Equity Management Limited ("**Cinda Plunkett**"), a private entity established in the Cayman Islands, with maturity on 20 August 2013 ("**the Fund**"). The Fund further invests in the one-year guaranteed notes issued by China Cinda (HK) Asset Management Company Limited and guaranteed by Well Kent International Investment Company Limited.

The estimated investment return from this short-term investment is linked to the performance of the guarantee notes and is estimated at 5.85% per annum which is not fixed nor guaranteed. The directors of the Company consider that no impairment on short-term investment as at 31 March 2013 is necessary.

19. BANK BALANCES AND CASH

Bank balances carry interest at prevailing market rates ranging from 0.01% to 0.85% (2012: 0.01% to 0.70%) per annum as at 31 March 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

20. TRADE AND OTHER PAYABLES

	2013 *HK$'000*	2012 *HK$'000*
Trade payables	**29,995**	20,556
Deposits received from customers	**7,596**	12,446
Salaries payable	**3,139**	2,217
Accrued expenses	**4,439**	6,083
Other payables	**2,286**	1,669
	17,460	22,415
Total trade and other payables	**47,455**	42,971

The average credit period is from 30 to 60 days.

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

	2013 *HK$'000*	2012 *HK$'000*
Trade payables:		
Invoiced		
— Within 30 days	**11,656**	7,898
— 31 to 60 days	**3,352**	243
— 61 to 90 days	**2,165**	378
— 91 days to 1 year	**7,068**	7,875
— Over 1 year	**3,121**	652
	27,362	17,046
Net yet billed	**2,633**	3,510
	29,995	20,556

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

21. DEFERRED TAX LIABILITIES

The followings are the deferred tax liabilities recognised and movements thereon during both years:

	Accelerated tax depreciation *HK$'000*
As at 1 April 2011	116
Charged to profit or loss *(note 11)*	6
As at 31 March 2012	122
Credited to profit or loss *(note 11)*	(32)
As at 31 March 2013	90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

22. SHARE CAPITAL

The movement of share capital of the Company are as follows:

	Number of shares	Amount *HK$'000*
Authorised:		
Ordinary shares of US$1 each		
At 1 April 2011	50,000	390
Cancelled pursuant to Group Restructuring on 13 April 2011 *(note a(i))*	(50,000)	(390)
Ordinary shares of HK$0.01 each		
Increase pursuant to capital restructuring on 13 April 2011 *(note a(i))*	39,000,000	390
Increase in authorised share capital on 7 March 2012 *(note b)*	9,961,000,000	99,610
At 31 March 2012 and 31 March 2013	10,000,000,000	100,000
Issued and fully paid:		
Ordinary shares of US$1 each		
At 1 April 2011	1	—
Repurchase of shares on 13 April 2011 *(note a(ii))*	(1)	—
Ordinary shares of HK$0.01 each		
Issue of shares upon the group reorganisation on 13 April 2011 *(note a(ii))*	780	—
Capitalisation issue *(note c)*	749,999,220	7,500
Placing of shares *(note d)*	250,000,000	2,500
At 31 March 2012 and 31 March 2013	1,000,000,000	10,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

22. SHARE CAPITAL *(CONTINUED)*

There are no movements in the share capital of the Company for the year ended 31 March 2013. The movements in the Company's authorised and issued share capital during the year ended 31 March 2012 was as follows:

(a) On 13 April 2011, Sapphire Star Investments, the sole shareholder of the Company, resolved that the capital of the Company shall be restructured and the nominal or par value of each share shall be converted from US$1 to HK$0.01 each by way of the following (the **"Capital Restructuring"**):

(i) increase of the authorised share capital of the Company from US$50,000 divided into 50,000 shares of US$1 each to HK$390,000 divided into 39,000,000 shares of HK$0.01 each, by the creation of an additional 39,000,000 shares of a nominal or par value of HK$0.01 each;

(ii) issue of 780 shares of HK$0.01 each, credited as fully paid, to Sapphire Star Investments at a consideration of HK$7.80 (the **"New Issue"**);

(iii) repurchase of the one issued share of US$1 (**"Existing Share")** in the share capital of the Company held by Sapphire Star Investments (the **"Repurchase of one share"**), following the New Issue. The Repurchase of one share is funded by the proceeds of the New Issue and the Existing Share be cancelled; and

(iv) cancellation of 50,000 authorised but unissued shares of a nominal or par value of US$1 each of the Company, following the Repurchase of one share.

Upon completion of the Capital Restructuring, the authorised share capital of the Company changed from US$50,000 divided into 50,000 shares of a nominal or par value of US$1 each to HK$390,000 divided into 39,000,000 shares of a nominal or par value of HK$0.01 each. Sapphire Star Investments became the holder of 780 shares of a nominal or par value of HK$0.01 each, representing the then entire issued share capital of the Company.

(b) On 7 March 2012, the authorised share capital of the Company was increased from HK$390,000 divided into 39,000,000 shares of HK$0.01 each to HK$100,000,000 divided into 10,000,000,000 shares of HK$0.01 each by creation of an additional 9,961,000,000 new shares.

(c) On 30 March 2012, the Company capitalised on amount of HK$7,499,992.20 standing to the credit of its share premium account by applying such sum in paying up in full a total of 749,999,220 shares at par for allotment and issue to the sole shareholder of the Company, Sapphire Star Investments.

(d) On 30 March 2012, the Company issued 250,000,000 shares of HK$0.01 each at HK$1.39 per share by way of public share offering. On the same date, the Company's shares were listed on the Main Board of the Stock Exchange.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

23. NON-CASH TRANSACTIONS

During the year ended 31 March 2012, one of the subsidiaries of the Group has settled the accrued performance related incentive payments for the year ended 31 March 2011 of HK$3,000,000 by offsetting amount due from a director.

24. OPERATING LEASE COMMITMENTS

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

	2013	2012
	HK$'000	*HK$'000*
Within one year	**8,974**	3,974
In the second to fifth years inclusive	**8,974**	3,324
	17,948	7,298

Operating lease payments represent rentals payable by the Group for the office premises. Leases are negotiated for an average term of two years and rentals are fixed.

Included in operating lease commitments as at 31 March 2012 is future minimum lease payments of HK$2,520,000 fall due within one year and HK$2,520,000 fall due in the second to fifth years inclusive to its related party, Draw Up as disclosed in note 29. No operating lease commitments fall due to its related party as at 31 March 2013.

25. SHARE OPTION SCHEME

The Share Option Scheme of the Company was adopted pursuant to a resolution in writing of the sole shareholder passed on 7 March 2012. The purposes of the Share Option Scheme is to enable the Group to grant options to full-time or part-time employees, directors (whether executive or non-executive), supplier, customer, joint venture partner, business associates and advisor (professional or otherwise) of the Company as incentives or rewards for their contribution to the Group. The Share Option Scheme became effective on 7 March 2012 (the "Effective Date"), subject to earlier termination by the directors and approved in advance by the shareholders in a general meeting. The Share Option Scheme shall be valid and effecting for a period commencing from the Effective Date.

The total number of shares of the Company available for issue under the Share Option Scheme must not in aggregate exceed 30% of the issued share capital of the Company from time to time.

The maximum number of shares issuable upon exercise of the options which may be granted under the Share Option Scheme (including exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates (as defined under the Listing Rules), are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates, (as defined under the Listing Rules) in excess of 0.1% of the shares of the Company in issue with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK$5,000,000, in the 12-month period up to and including the date of grant, are subject to shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted in writing by a participant within 28 days from the date of offer upon payment of a nominal consideration of HK$1 by the grantee. The exercise period for the share options granted is determined by the Directors, which period may commence from the date of acceptance of the offer for the grant of share options but shall end, in any event, not later than 10 years from the date of grant of the option subject to the provisions for early termination under the Share Option Scheme.

Up to the date of approval of the consolidated financial statements, no options have been granted to eligible participants under the Share Option Scheme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

26. RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme (the "**MPF Scheme**") for all qualifying employees. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. Mandatory benefits are provided under the MPF Scheme. The Group contributes the lower of 5% of the relevant payroll costs and HK$1,000 (increases to HK$1,250 with effective from 1 June 2012) per employee to the MPF Scheme.

The total contribution to the retirement benefit scheme charged to the consolidated statement of comprehensive income is HK$2,008,000 (2012: HK$1,222,000).

27. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS

	2013	2012
	HK$'000	*HK$'000*
Bank balances and cash	**353,954**	432,771
Less: Pledged bank balance *(note)*	**—**	(400)
	353,954	432,371

Note: The bank balance was pledged to a bank to secure the corporate credit card facility as at 31 March 2012. The pledged has been released during the year ended 31 March 2013.

28. PLEDGE OF ASSETS

	2013	2012
	HK$'000	*HK$'000*
Bank balance	**—**	400

29. RELATED PARTY TRANSACTIONS

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

	2013 *HK$'000*	2012 *HK$'000*
Financial public relations service income from Chongqing Iron & Steel *(note 1)*	**3,906**	2,329
Financial public relations service income from Qingling Motors *(note 1)*	**116**	116
Financial public relations service income from Luoyang Glass *(note 1)*	**663**	—
Operating lease rentals paid to Draw Up *(note 2)*	**393**	2,520

Notes:

(1) Chongqing Iron & Steel, Qingling Motors and Luoyang Glass are the companies in which Mr. Liu Tianni, the controlling shareholder and director of the Company, has directorship.

(2) Wonderful Sky Financial Group leased a property owned by Draw Up. Draw Up is wholly-owned by Mr. Liu Tianni and his spouse.

Compensation of key management personnel

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

	2013 *HK$'000*	2012 *HK$'000*
Salaries and allowances	**7,460**	7,574
Performance related incentive payments	**1,014**	4,702
Retirement benefit scheme contributions	**64**	59
	8,538	12,335

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

30. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the principal subsidiaries held by the Company at the end of the reporting period are as follows:

Name of subsidiary	**Place and date of incorporation**	**Place of operation**	**Issued and fully paid share capital**	**Equity interest attributable to the Group as at 31 March**		**Principal activities**
				2013	2012	
				%	%	
IR Global RoadshowLimited	BVI 15 September 2010	Hong Kong	US$50,000	**100**	100	Organisation and coordination of international roadshow
Shine Talent Holdings*	BVI 11 November 2010	Hong Kong	US$2	**100**	100	Investment holding
Wonderful Sky Financial Group	Hong Kong 1 August 2006	Hong Kong	HK$10,000	**100**	100	Provision of financial public relations services

* Directly held by the Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

FOR THE YEAR ENDED 31 MARCH 2013

31. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2013	2012
	HK$'000	*HK$'000*
Non-current asset		
Investment in a subsidiary	**—**	—
Amount due from a subsidiary	**253,472**	80,000
	253,472	80,000
Current assets		
Bank balances	**92,250**	330,007
Short-term investment	**100,000**	—
	192,250	330,007
Current liabilities		
Amount due to a subsidiary	**—**	5,778
Taxation payable	**1,492**	—
	1,492	5,778
Net current assets	**190,758**	324,229
Total assets less current liabilities	**444,230**	404,229
Capital and reserves		
Share capital	**10,000**	10,000
Reserves	**434,230**	394,229
Total equity	**444,230**	404,229

31. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(CONTINUED)*

Movement of share capital and reserves

	Share capital *HK$'000*	**Share premium** *HK$'000*	**Accumulated profits** *HK$'000*	**Total** *HK$'000*
At 1 April 2011	—	—	—	—
Profit and total comprehensive income for the year	—	—	116,997	116,997
Interim dividend recognised as distribution *(note 12)*	—	—	(37,000)	(37,000)
Capitalisation issue *(note 22(e))*	7,500	(7,500)	—	—
Issue of shares by the Company on public share offering *(note 22(f))*	2,500	345,000	—	347,500
Expenses incurred in connection with the issue of shares	—	(23,268)	—	(23,268)
At 31 March 2012	10,000	314,232	79,997	404,229
Profit and total comprehensive income for the year	—	—	108,001	108,001
Final dividend recognised as distribution *(note 12)*	—	—	(27,000)	(27,000)
Interim dividend recognised as distribution *(note 12)*	—	—	(41,000)	(41,000)
At 31 March 2013	10,000	314,232	119,998	444,230