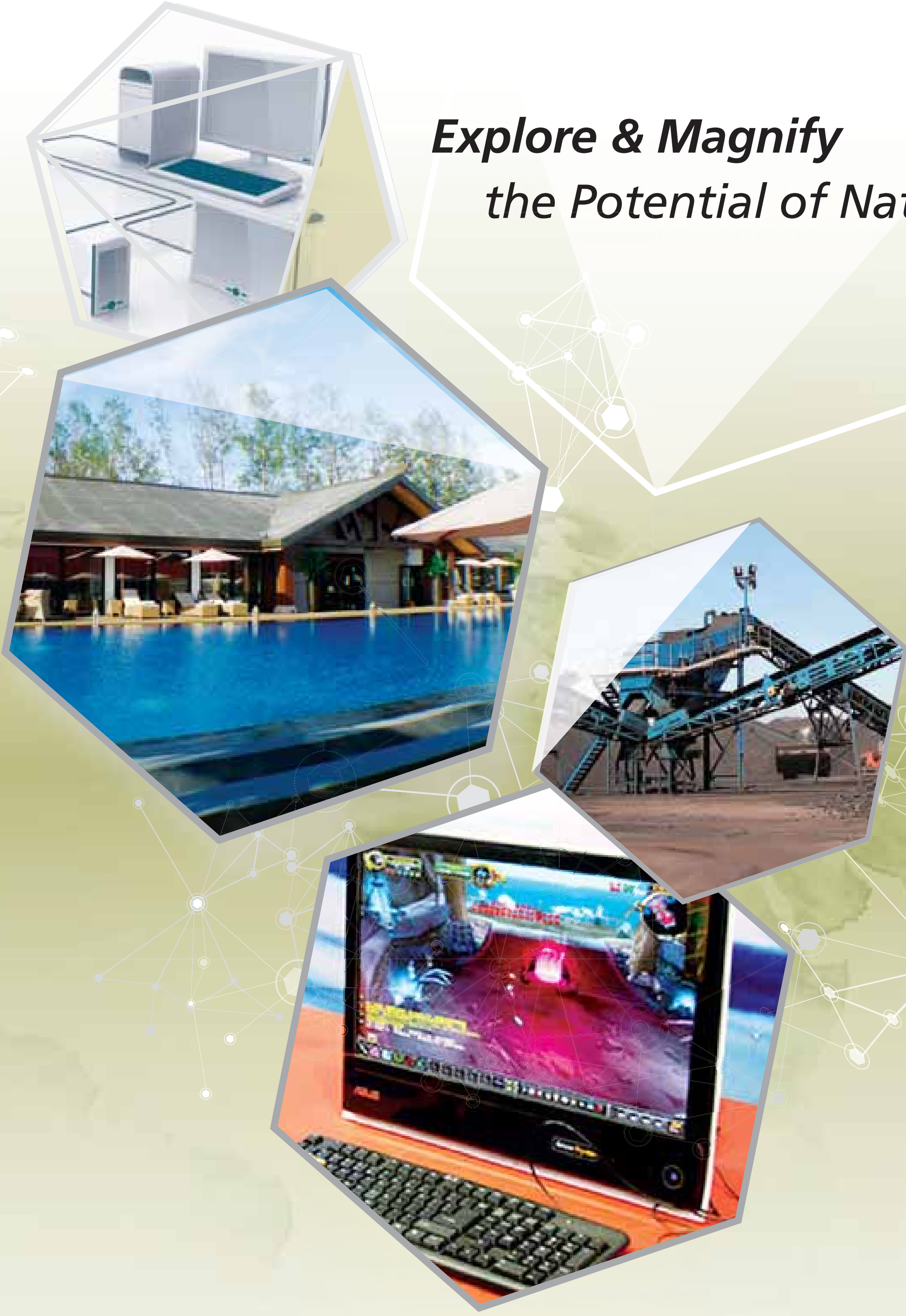
Sun International Resources Limited
太陽國際資源有限公司
(Incorporated in the Cayman Islands with limited liability)
Stock Code: 8029

Explore & Magnify
the Potential of Nature



Annual Report 2013

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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This report, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Chau Cheok Wa *(Chairman)*
Cheng Mei Ching
Lee Chi Shing, Caesar
Yeung So Lai

Independent Non-Executive Directors

Chan Tin Lup, Trevor
Tou Kin Chuen
Wang Zhigang

AUDIT COMMITTEE

Tou Kin Chuen *(Chairman)*
Chan Tin Lup, Trevor
Wang Zhigang

REMUNERATION COMMITTEE

Chan Tin Lup, Trevor *(Chairman)*
Tou Kin Chuen
Wang Zhigang

COMPANY SECRETARY

Lee Chi Shing, Caesar

COMPLIANCE OFFICER

Lee Chi Shing, Caesar

AUTHORIZED REPRESENTATIVES

Yeung So Lai
Lee Chi Shing, Caesar

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 2412-2418, 24/F
China Merchants Tower,
Shun Tak Centre,
168-200 Connaught Road Central,
Hong Kong

AUDITOR

Andes Glacier CPA Limited
Unit 1, 20/F., Malaysia Building,
50 Gloucester Road,
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND OFFICE

Butterfield Fund Services (Cayman) Limited
P.O. Box 705 GT, Butterfield House
68 Fort Street, George Town
Grand Cayman, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

Banco de Oro Unibank, Inc
Bank of China (Hong Kong) Limited
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
Standard Chartered Bank (Hong Kong) Limited

STOCK CODE

8029

WEBSITE

www.sun8029.com

FINANCIAL HIGHLIGHTS

- The Company and its subsidiaries (the "Group") recorded a turnover of approximately HK$239,700,000 for the year ended 31 March 2013.
- Gross profit was HK$175,300,000 for the year ended 31 March 2013.
- Loss attributable to shareholders was HK$327,543,000 for the year ended 31 March 2013.
- No final dividend was proposed by the Directors for the year ended 31 March 2013.
- As at 31 March 2013, the Group had bank balances and cash amounting to approximately HK$172,900,000.

CHAIRMAN'S STATEMENT

For the year ended 31 March 2013, the Group recorded a turnover of HK$239,700,000 which was increased 2% compared to the turnover of approximately HK$234,100,000 in the last fiscal year. The profit attributable to shareholders has been decreased from approximately HK$87,573,000 recorded in the year ended 31 March 2012 to a loss of HK$327,543,000. The loss in last year was mainly due to impairment loss arising from change in fair value of intangible assets, goodwill and investment properties of the Group.

Going forward, I have confidence about the prospects of the market for the computer software solution and related services businesses.

Finally, on behalf of the Directors of the Group, I would like to express our sincere appreciation to the management and staff of the company for their dedication and hard work throughout the year as well as to shareholders and business partners for their commitment and continuous support.

Chau Cheok Wa
Chairman

Hong Kong, 14 June 2013

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

The Group recorded a turnover of approximately HK$239,700,000 for the year ended 31 March 2013 which was increased 2% compared to the turnover of approximately HK$234,100,000 in the last fiscal year. The revenue was mainly generated from the subsidiaries engaging in information technology related businesses, hotel businesses, natural resources businesses and entertainment businesses. The increase in turnover was mainly due to income generated from entertainment businesses and natural resources businesses.

The direct costs were increased to approximately HK$64,000,000 from approximately HK$39,000,000 recorded during last year. The decrease of 10% in gross profit percentage was mainly due to the increase in direct cost generated from entertainment, mining and computer services businesses. The staff costs of HK$42,520,000 (2012: HK$41,320,000) remain stable during the financial year.

Administrative expenses made an increase of 10% to approximately HK$82,000,000 compared to HK$74,000,000 in 2012. The increase in expenses for depreciation of yacht, expenses incurred in Macau's business segment and searching for new business opportunities for the Group.

The net loss of the Group for the year ended 31 March 2013 was approximately HK$534,800,000 as compared with the net profit of approximately HK$81,200,000 of the last fiscal year. The reason of the loss was mainly due to impairment adjustments arising from change in fair value of intangible assets, goodwill and investment properties for the financial year.

GEARING RATIO

The gearing ratio, is calculated as borrowings divided by total equity, was approximately 19% (31 March 2012: 15%).

CAPITAL STRUCTURE

Movements in share capital are reflected in note 33 to the consolidated financial statements.

EMPLOYEE INFORMATION

The total number of employees was 412 as at 31 March 2013 (2012: 393), and the total remuneration for the year ended 31 March 2013 was approximately HK$42,520,000 (2012: HK$41,320,000). The Group's remuneration policy for senior executives is basically performance-linked. Staff benefits, including medical coverage and mandatory provident fund, are also provided to employees where appropriate. Discretionary bonus is linked to performance of the individual on case by case basis. The Group may offer share options to reward employees who make significant contributions, in order to retain key and crucial staff. The remuneration policy of the Group is reviewed and approved by the Remuneration Committee as well as by the Board.

CONTINGENT LIABILITIES

As at 31 March 2013, the Group did not have significant contingent liabilities (2012: Nil).

Management Discussion and Analysis

FOREIGN EXCHANGE EXPOSURE

The income and expenditure of the Group are denominated in Hong Kong Dollars, Indonesian Rupiah, PESO and Renminbi, the impact of foreign exchange exposure of the Group were considered minimal. Hence, no hedging or other arrangements to reduce the currency risk have been implemented.

REVENUE

Revenue represents the net amounts received and receivable from services provided, goods sold, rental income and mining businesses by the Group to outside customers.

DIVIDEND

No final dividend was proposed by the Directors for the year ended 31 March 2013 (2012: Nil).

BUSINESS REVIEW

For the year ended under review, the demand for natural resources remains stable. Prior to 2008, the Group was principally engaged in investment holding, hotel services and computer software solution. The acquisition of Gold Track Mining and Resources Limited, and Gold Track Coal and Mining Limited were completed on 17 July 2009 and 1 March 2010 respectively. They were located in the city of Solok, Sumatera Province and the city of Endes, East Nusa Tenggara Province. On 27 March 2011, the Group acquired 35% of Yuet Sing Group Limited ("Yuet Sing") as associates. Yuet Sing holds 100% of Risheng Century (Hubei) Mining Company Limited, which is engaged in vanadium mining and exploitation at Jingyang town, Jianshi County, Hubei Province, PRC. These will provide a great potential for the business growth as the Group is able to step into the natural resources business.

Following the acquisition of Loyal King Investments Limited and its subsidiaries (the "Loyal King Group"), the Group is able to explore into the development of entertainment and gaming activities. With the strong and competent information technology staff of the Loyal King Group, the Group is able to maintain a stable income from the business.

For the operation of the resort hotel in Cagayan, Philippines, a lease agreement in relation to the lease of approximately 245 hotel rooms of a hotel resort complex were expired in April 2013 and the Lease Agreement was not renewed. In March 2013, the Company entered into a new rental agreement of not more than 169 days in relation to the lease of rooms and facilities of the leisure resort. The Group will continue to explore new opportunities to lease its hotel rooms and facilities.

Management Discussion and Analysis

OPERATIONS REVIEW

Minerals operation

Contribution of minerals operation to the Group's turnover accounted for approximately HK$9,700,000 (2012: HK$7,700,000) an increase of approximately 26% when compared with last year. The increase of turnover was due to increase in selling of stock of iron ores during the year. The minerals operation recorded a loss of approximately HK$571,500,000 (2012: HK$23,200,000) from sales of iron ore extracted from the Mines located in Indonesia. The substantial loss was due to impairment adjustments in fair value of intangible assets.

Reserve of iron-ore

There is no material change in the estimated volume, tonnage and grade of the iron-ore resource situated at the mines in Padang and Ende, Indonesia during the year.

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

As at 31 March 2013, the Group had current assets of approximately HK$296,000,000 (2012: HK$261,000,000). The Group's current ratio, calculated on the basis of current assets of approximately HK$296,000,000 (2012: HK$261,000,000) over current liabilities of approximately HK$89,000,000 (2012: HK$194,000,000) was at level of approximately 3:1 (2012: 1:1). The bank balances as at 31 March 2013 was approximately HK$173,000,000 as compared to the balance of approximately HK$58,000,000 as at 31 March 2012. The Group had no bank and other borrowings (2012: Nil) and finance lease obligation (2012: HK$22,000) at the end of the financial year.

The Group had redeemed the convertible notes in equivalent amount of RMB34,600,000 (2012: RMB73,000,000) which was about half of the outstanding principal amount plus 5% accretion and calculated interest thereon. The outstanding principal amount of 8% coupon convertible notes with 13% yield in principal amount was RMB33,000,000 (equivalent to approximately HK$40,000,000) during the year for the general working capital. At the end of the financial year, the equity attributable to Company's equity owners amounting to approximately HK$893,000,000 (2012: HK$1,220,000,000), representing a decrease of approximately 27% compared to 2012.

With the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements.

Results Analysis

During the financial year ended March 31, 2013 (the "Financial Year"), we continued our business on different categories such as development of new on-line games, promotion of hotel services, review of the new trend and technology of mining business, respectively.

Management Discussion and Analysis

Operation

Stable revenue will be expected from computer services and hotel businesses for the coming year as the Group will continue to take very effort on expanding potential market shares for the existing businesses.

The finance costs

The Group recorded a finance costs approximately HK$5,700,000 (2012: HK$7,800,000) for the year ended 31 March 2013, representing a decrease of HK$2,100,000 compared to that in the last fiscal year. The finance cost was mainly for convertible notes.

Convertible Notes

During the financial year, the Group had redeemed about half of the outstanding principal amount of the convertible notes and its outstanding principal amount was RMB33,000,000 (2012: RMB65,000,000) at an interest rate of 8% per annum, payable annually in arrears to provide for general working capital.

Loss attributable to the equity holders of the Company

For the current financial year, the Group recorded a loss attributable to the equity holders of the Company of HK$327,500,000 (2012: a profit of HK$87,600,000).

Prospects

The major business activities of the Group include hotel resort, information technology service and mining during the financial year.

The Group continues to operate and allocate resources to hotel and information technology service as they can provide income to the Group.

Due to the announced Regulations in Indonesia concerning provisions of mining product export No. 29/M-DAG/Per/r/2012 and No. 574.K/30/DJB/2012, iron ores produced from the Two Iron Mines in Padang and Ende are not allowed to be exported from Indonesia, instead, they can only be sold locally before obtaining the Export Approvals. In view that the selling price of iron ores in the local market of Indonesia cannot sufficiently and effectively compensate the production costs of the Two Iron Mines, the Board has decided to suspend the operation of the Two Iron Mines pending the grant of the Export Approvals or change of laws in Indonesia to a favourable condition for the operation of the Two Iron Mines.

The board has been actively seeking opportunities to diversify the business scope and to broaden the revenue base of the Group. Having considered the existing operations and resources of the Group, the Board considers that it may be feasible for the Group to engage in the trading of racehorses alongside its existing principal businesses. In pursuance of this new business venture, racehorses will be sourced by the Group from the Southern Hemisphere, mainly Australia, which would then be raised and traded when they reached a certain age.

RESOURCE ESTIMATE OF MINING ACTIVITIES

According to the technical reports, the latest resource estimate of the Mines are as follows:

A) Iron Ore

Location: Air Abu village, Solok county, Padang province, Sumatra, Indonesia

CATEGORY	TONNES (Million)	GRADE TFe (%)	MFe (%)
Target	3.0–3.7	35–40	27–33
Inferred	1.2	38.3	30.8

Location: Ende Regency, East Nusa Tenggara, Indonesia

CATEGORY	TONNES (kt)	GRADE TFe (%)	MFe (%)
Indicated	33,696	28.51	21.44
Inferred	4,424	29.8	22.89

B) Vanadium (V_20_5) Ore and White Carbon Black (SiO_2) Ore

Location: Jingyang Town, Jianshi Country, Hubei Province, China

CATEGORY	TONNES (kt)	V_20_5 (%)	TONNES (kt)	SiO_2 (%)
Measured	20	1.034	–	–
Indicated	5,496	0.765	59,368	48.06
Inferred	1,316	0.810	23,724	46.85

PRODUCTION AND REVENUE OF MINING ACTIVITIES

The group's mining production of iron ore were 23,000 tons for the twelve months ended 31 March 2013 compared with 63,000 tons for same period in last fiscal year. A revenue of HK$9.7 million with sales volume of 13,000 tons was mainly the selling of stock of iron ores during the reporting year.

Due to the announced Regulations in Indonesia concerning provisions of mining product export No. 29/M-DAG/Per/r/2012 and No. 574.K/30/DJB/2012, iron ores produced from the Two Iron Mines in Padang and Ende are not allowed to be exported from Indonesia, instead, they can only be sold locally before obtaining the Export Approvals. In view that the selling price of iron ores in the local market of Indonesia cannot sufficiently and effectively compensate the production costs of the Two Iron Mines, the Board has decided to suspend the operation of the Two Iron Mines pending the grant of the Export Approvals or change of laws in Indonesia to a favourable condition for the operation of the Two Iron Mines.

The major expenditure are summarized as the following table.

	Mining Activities *HK$'000*
Assets and equipment	3,195
Compensation Expenses	2,639
Consultancy and advisory	7,340
Fuel	156
Government expenses	296
Rental expenses	1,266
Staff cost	2,939
Transportation expenses	1,332
Others	2,897
Total	22,060

RISK FACTORS

Cyclical macro and industrial environment

The iron ore market is cyclical nature. Its price fluctuates from time to time, and often determined by global economic and political situation, in particular, interest rate, commodities market, countries policy makers, especially the policies of USA and China. Besides, the growth of the industries including iron and steel making which are the users of iron ore, also affect the demand of iron ore.

Take time to complete the expansion projects

A mining project faces a lot of uncertainties and it takes time to complete the project. During the execution of the project, probably there are some unexpected events such as unfavorable weather, high inflation, attitude of local government officers, change of government regulations and difficulty of road transportation. All these events may delay the progress and the economic benefits of the project.

Continuous expansion requires long term capital financing

The development projects and expansion of production capacities require additional capital to finance these activities. These projects are often mid to long term nature, probably over 1 year. Therefore, stable source of long term financing with low cost of borrowing is critical to our future capital investment in the mining business.

There is no assurance that we can obtain the stable source of long term capital with low cost.

Country Risk

The mining business is mainly operated in Indonesia. Being one of the emerging markets, Indonesia definitely provides many opportunities to investors. However, like doing business in other developing countries, we also have risk of the uncertainties of their political, social and economic policies.

There is no assurance that the current favorable policies remain unchanged in the near future. The future changes at the country level probably may have adverse effect to our business.

OUTLOOK AND DEVELOPMENT

The board of directors has always tried its best to improve the efficiency and effectiveness of the operation so as to enhance the group value.

BUSINESS DEVELOPMENT

The board has been actively seeking opportunities to diversify the business scope and to broaden the revenue base of the Group. Having considered the existing operations and resources of the Group, the Board considers that it may be feasible for the Group to engage in the trading of racehorses alongside its existing principal businesses. In pursuance of this new business venture, racehorses will be sourced by the Group from the Southern Hemisphere, mainly Australia, which would then be raised and traded when they reached a certain age.

DIRECTORS AND STAFF

EXECUTIVE DIRECTORS

Mr. Chau Cheok Wa, aged 39, is the Chairman of the Company and Sun Century Group Limited (Stock code: 1383) was born in the Macao Special Administrative Region ("Macao") and is a Portuguese national. He received his education in Macao and has since then engaged in the business of operating and managing V.I.P. clubs, in which he has over ten years of experience, at the entertainment V.I.P. clubs at hotels in Macao. Under Mr. Chau's leadership, the number of entertainment V.I.P. clubs managed by Mr. Chau has soared from one to ten in the last four years, eight of which are at the five-star hotels in Macao including StarWorld Hotel Macau, Venetian Macao Resort Hotel, Grand Lisboa Macau, Wynn Macau (three V.I.P. clubs) and MGM Grand Macau; and one of which is at the entertainment V.I.P. club of the world-renowned Walker Hill in Seoul, the capital of the South Korea.

Ms. Yeung So Lai, aged 35, is the Executive Director of the Company and Sun Century Group Limited (Stock code: 1383) and also a director of a number of private companies engaged in the business of bird's nest trading and investment holding. Ms. Yeung is experienced in corporate management. Ms. Yeung is the sister of the sister-in-law of Ms. Cheng Mei Ching, an executive Director. Ms. Yeung is the sister of the wife of Mr. Cheung Ting Kong, a substantial shareholder of the Company.

Ms. Cheng Mei Ching, aged 31, is the Executive Director of the Company and Sun Century Group Limited (Stock code: 1383), holds a bachelors degree in commerce (marketing and advertising) from Curtin University of Technology in Perth, Western Australia. Ms. Cheng has over the past adopted a pragmatic and proactive management approach; and delivered solid performance in various areas, in particular corporate management and internal control.

Mr. Lee Chi Shing, Caesar, aged 49, is the Executive Director of the Company and also Sun Century Group Limited (Stock code: 1383) and Newtree Group Holdings Limited (Stock code: 1323), is experienced in corporate management and internal control. He was an executive director of Tanrich Financial Holdings Limited, a company listed on the main board of the Stock Exchange, from 1 November 2004 to 29 June 2005. In 2000, he joined Ernst and Young, an international accounting firm, as a senior manager. He has worked in the Inland Revenue Department for over 15 years after his graduation. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. In addition, he is a member of the Society of Registered Financial Planners. Mr. Lee graduated from the Department of Accountancy of Hong Kong Polytechnic University in 1985. He later obtained a Master degree in International Accountancy in 2001.

Directors and Staff

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tou Kin Chuen, aged 36, is the independent non-executive director of the Company and Sun Century Group Limited (Stock code: 1383), is the principal of Roger K.C. Tou & Co., Mr. Tou graduated from the Hong Kong Shue Yan University (formerly known as Hong Kong Shue Yan College) with a Honours Diploma in Accounting in 2001. He is experienced in audit, taxation, company secretarial, insolvency and finance for over 15 years. Mr. Tou is a member of the Hong Kong Institute of Certified Public Accountants and an associate of the Taxation Institute of Hong Kong.

Mr. Chan Tin Lup, Trevor, aged 53, was born in Hong Kong and has been in the legal field for over 20 years. He received his law degree from the University of London and his Postgraduate Diploma in Legal Practice from the University of Wolverhampton with commendation. Mr. Chan has been an independent non-executive director of National Arts Holdings Limited (Stock Code: 8228), a company registered in Bermuda and the shares of which are listed on the Growth Enterprise Market ("**GEM**") of The Stock Exchange of Hong Kong Limited, since 13 May 2009.

Mr. Wang Zhigang, aged 54, obtained his graduation certificate from 山東礦業學院 (unofficial English translation being Shandong Institute of Mining and Technology) in 1982 and his Master in Mine Construction Engineering (礦山建設工程) from China University of Mining and Technology (中國礦業大學) in 1994. Mr. Wang has participated in the Business Administration Training Programme (工商管理培訓班) organized by Tsinghua University (清華大學) and has obtained a completion certificate in 2002. Mr. Wang is the executive director of 兗礦集團鄒城設計研究院有限公司 (unofficial English translation being Yankuang Group Zoucheng Huajian Design Research Company Limited) since 2005. Mr. Wang was the deputy manager of 兗州礦業(集團)有限公司 (unofficial English translation being Yankuang Group Corporation Limited) since 1999. Mr. Wang has obtained the qualification of Senior Engineer (高級工程師) in 1994.

QUALIFIED ACCOUNTANT

Mr. Chung Sze Fat, aged 49, has been appointed as the qualified accountant of the Company with effect from 8 June 2011. Mr. Chung is a fellow member of the Association of Chartered Certified Accountants. He has over 20 years' working experience in financial accounting, management accounting and internal control.

DIRECTORS' REPORT

The directors would like to present the annual report and the audited financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 March 2013.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities and other details of its subsidiaries are set out in note 20 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2013 are set out in the consolidated statement of comprehensive income on page 33.

No final dividends was proposed by the Directors for the reporting year.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 98.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in property, plant and equipment and investment properties of the Group are set out in note 18 and note 19 to the consolidated financial statements respectively.

SHARE CAPITAL AND SHARE OPTIONS

Details of the authorised and issued share capital and share options of the Company are set out in notes 33 and 35 respectively to the consolidated financial statements.

RESERVES

Details of movements in reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on page 37 and in note 34 to the financial statements respectively.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders as at 31 March 2013 amounted to approximately HK$Nil (2012: HK$4 million).

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Mr. Chau Cheok Wa *(Chairman)*
Ms. Cheng Mei Ching
Mr. Lee Chi Shing, Caesar
Ms. Yeung So Lai

Independent non-executive directors:

Mr. Chan Tin Lup, Trevor
Mr. Tou Kin Chuen
Mr. Wang Zhigang

In accordance with Article 108 of the Company's Article of Association, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen, Mr. Wang Zhigang and Ms. Cheng Mei Ching will retire by rotation. All of these retiring directors, being eligible, offer themselves for re-election.

Each executive director has entered into a service contract with the Company with effect from the date of appointment and will continue thereafter unless and until terminated by either party by giving not less than one-month prior written notice to the other.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

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 or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as required, pursuant to Rules 5.46 to 5.66 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(1) Long positions in the shares of the Company

Ordinary share of HK$0.04 each of the Company

Name of Director	Nature of interests	Number of ordinary shares held	Capacity	Percentage of issued shares
Mr. Chau Cheok Wa	Corporate *(Note)*	271,655,000	Interest of a controlled corporation	29.29%
Mr. Lee Chi Shing, Caesar	Personal	500,000	Beneficial owner	0.05%

Note: These ordinary shares are held by First Cheer Holdings Limited. First Cheer Holdings Limited is beneficially owned as to 50% by Mr. Chau Cheok Wa, as to 50% by Mr. Cheng Ting Kong.

(2) Long positions in the underlying shares of the Company

Pursuant to the new share option scheme adopted by the Company on 5 December 2006 (the "New Scheme"), several Directors in the capacity as beneficial owner were granted share options to subscribe for shares of the Company, details of which as at 31 March 2013 were as follows:

Name of Director	Date of grant	Number of share options	Exercised during the year	Share option lapsed	Exercise price of share options HK$	Exercise period from	until	Number of options outstanding as at 31 March 2013
Mr. Chau Cheok Wa	25/11/2010	910,000	–	–	1.54	25/11/2010	24/11/2020	910,000
Ms. Cheng Mei Ching	9/2/2010	8,300,000	–	–	0.9	9/2/2010	8/2/2020	8,300,000
	25/11/2010	9,150,000	–	–	1.54	25/11/2010	24/11/2020	9,150,000
Mr. Lee Chi Shing, Caesar	19/8/2008	8,380,000	–	–	1.14	19/08/2008	18/08/2018	8,380,000
	9/2/2010	8,300,000	–	–	0.9	9/2/2010	8/2/2020	8,300,000
	25/11/2010	9,150,000	–	–	1.54	25/11/2010	24/11/2020	9,150,000

Save as disclosed above, during the year ended 31 March 2013, the Company grant no new share option for the Directors or their respective associates to subscribe for shares of the Company and had not been exercised such rights.

Save as disclosed above, during the year ended 31 March 2013, none of the Directors or Chief Executive of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.66 of the GEM Listing Rules.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in the section headed "Related Party Transactions" in this report and in note 39 to the financial statements, no other contracts of significance to which the Company, its holding companies or any of its subsidiaries was a party and in which a director of the Company or any of its subsidiaries had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

RELATED PARTY AND CONNECTED TRANSACTIONS

Details of the significant related party and connected transactions of the Group are set out in note 39 to the consolidated financial statements.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to any Directors or Chief Executives of the Company, as at 31 March 2013, the following person or corporations had equity interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of Part XV of the SFO and/or were directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company:

Long positions in the shares of the Company

Ordinary share of HK$0.04 each of the Company

Name of Shareholders	Nature of interests	Number of ordinary shares held	Capacity	Percentage of issued shares
First Cheer Holdings Limited *(Note 1)*	Corporate	271,655,000	Beneficial owner	29.29%
Cheng Ting Kong *(Note 1)*	Corporate	271,655,000	Interest of a controlled corporation	29.29%
Chau Cheok Wa *(Note 1)*	Corporate	271,655,000	Interest of a controlled corporation	29.29%
Raywell Holdings Limited *(Note 2)*	Corporate	135,430,000	Beneficial owner	14.60%
Yeung Hak Kan *(Note 2)*	Corporate	135,430,000	Interest of a controlled corporation	14.60%

Notes:

1. First Cheer Holdings Limited is beneficially owned as to 50% by Mr. Cheng Ting Kong and as to 50% by Mr. Chau Cheok Wa. Accordingly, both Mr. Cheng Ting Kong and Mr. Chau Cheok Wa are deemed under the SFO to be interested in the 271,655,000 shares beneficial owned by First Cheer Holdings Limited.

2. Raywell Holdings Limited is wholly and beneficially owned by Mr. Yeung Hak Kan. Accordingly, Mr. Yeung Hak Kan is deemed under the SFO to be interested in the 135,430,000 shares beneficially owned by Raywell Holdings Limited.

Save as disclosed above, as at 31 March 2013, the Company was not notified of any other relevant interests or short positions in the shares or underlying shares in the Company as recorded in the register required to be kept by the Company under section 336 of Part XV of the SFO.

COMPETITION AND CONFLICT OF INTERESTS

None of the directors, the management shareholders (as defined in the GEM Listing Rules) or the substantial shareholders of the Company, or any of their respective associates, has engaged in any business that competes or may compete with the businesses of the Group or has any other conflict of interests with the Group.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the directors nor the Chief Executive, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

SHARE OPTION SCHEME

The Company operates share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Option Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, any person or entity providing research, development or other technological support to the Group, and any other person or entity determined by the directors as having contributed or may contribute to the development and growth of the Group. The Company has two share option schemes, one was adopted on 29 November 2000 and expired in 2010 and another one was adopted on 5 December 2006 (the "New Scheme").

New Scheme

On 5 December 2006, the Company adopted a new share option scheme. The New Scheme became valid and effective for a period of ten years commencing from the adoption of the New Scheme, after which period no further options will be granted but the provisions of the New Scheme shall remain in full force and effect in all other respects.

The participants of the New Scheme to whom options may be granted by the Board shall include any director, employee, consultant, adviser, agent, contractor, customer or supplier of any member of the Group whom the Board in its sole discretion considers eligible for the New Scheme on the basis of his/her contribution to the development and growth of the Group.

No participant shall be granted an option if the total number of Shares issued and to be issued upon exercise of the options granted and to be granted (including options exercised, cancelled and outstanding) in any 12 month period up to and including the date of grant to such participant would exceed 1% of the shares for the time being in issue unless the proposed grant has been approved by the shareholders in general meeting with the proposed grantee and his associates abstaining from voting. The number and terms of options to be granted to each grantee must be fixed before the shareholders' approval and the date of meeting of the Board for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

The total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and all other share option schemes of the Company (the "Scheme Mandate Limit") shall not exceed 10% of the total number of Shares in issue unless the Company obtains a fresh approval from its shareholders pursuant to the approval of the shareholders in general meetings. At 31 March 2013, the number of shares issuable under share options granted under the Share Option Plan was 231,000,000, which represented approximately 25% of the Company's shares in issue as at that date. The limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other schemes shall not exceed 30% of the shares of the Company from time to time.

The offer of a grant of share options may be accepted within 14 days after the date on which the offer becomes or is declared unconditional. The exercise period of the share options granted is determinable by the board of directors, and commences on any date after the date of grant and ends on a date which is not later than ten years from the date of offer of the share options or the expiry date of the New Scheme, if earlier.

The exercise price of share options is determined by the board of directors, but may not be less than the higher of (i) the closing price of the Company's shares on the GEM of the Stock Exchange on the date of grant of the option; (ii) the average of the closing prices of the Company's shares on the GEM of the Stock Exchange for the five trading days immediately preceding the date of grant of the option; and (iii) the nominal value of the shares of the Company.

The Company will comply with the disclosure requirements under Chapter 23 of the GEM Listing Rules, including without limitation disclosures in the annual and interim reports of the Company including details of the options granted to the following persons: (i) each of the connected person; (ii) each participant with options granted in excess of the limit; (iii) aggregate figures for the employees; (iv) aggregate figures for supplier of goods or services; and (v) all other participants as an aggregate whole.

Directors' Report

				Number of share options								
Category participants	Date of grant	Exercise price *HK$*	Exercise period	Outstanding at 1 April 2011	Grant during the year	Exercise during the year	Lapsed during the year	Outstanding at 31 March 2012	Grant during the year	Exercise during the year	Lapsed during the year	Outstanding at 31 March 2013
Mr. Chau Cheok Wa	25.11.2010	1.540	25.11.2010-24.11.2020	910,000	–	–	–	910,000	–	–	–	910,000
				910,000	–	–	–	910,000	–	–	–	910,000
Mr. Lee Chi Shing, Caesar	19.08.2008	1.140	19.08.2008-18.08.2018	8,380,000	–	–	–	8,380,000	–	–	–	8,380,000
	09.02.2010	0.900	09.02.2010-08.02.2020	8,300,000	–	–	–	8,300,000	–	–	–	8,300,000
	25.11.2010	1.540	25.11.2010-24.11.2020	9,150,000	–	–	–	9,150,000	–	–	–	9,150,000
				25,830,000	–	–	–	25,830,000	–	–	–	25,830,000
Ms. Cheng Mei Ching	09.02.2010	0.900	09.02.2010-08.02.2020	8,300,000	–	–	–	8,300,000	–	–	–	8,300,000
	25.11.2010	1.540	25.11.2010-24.11.2020	9,150,000	–	–	–	9,150,000	–	–	–	9,150,000
				17,450,000	–	–	–	17,450,000	–	–	–	17,450,000
Consultants in aggregate	13.08.2007	0.760	13.08.2007-12.08.2017	17,450,000	–	–	–	17,450,000	–	–	–	17,450,000
	17.08.2007	0.720	17.08.2007-16.08.2017	9,600,000	–	–	–	9,600,000	–	–	–	9,600,000
	21.08.2007	0.690	21.08.2007-20.08.2017	9,600,000	–	–	–	9,600,000	–	–	–	9,600,000
	19.08.2008	1.140	19.08.2008-18.08.2018	53,860,000	–	–	–	53,860,000	–	–	–	53,860,000
	27.08.2008	1.160	27.08.2008-26.08.2018	4,800,000	–	–	–	4,800,000	–	–	–	4,800,000
	16.12.2009	0.740	16.12.2009-15.12.2019	20,900,000	–	–	–	20,900,000	–	–	–	20,900,000
	25.11.2010	1.540	25.11.2010-24.11.2020	19,210,000	–	–	–	19,210,000	–	–	–	19,210,000
	07.12.2010	1.740	07.12.2010-06.07.2020	9,150,000	–	–	–	9,150,000	–	–	–	9,150,000
				144,570,000	–	–	–	144,570,000	–	–	–	144,570,000
Other employees in aggregate	19.08.2008	1.140	19.08.2008-18.08.2018	4,190,000	–	–	–	4,190,000	–	–	–	4,190,000
	16.12.2009	0.740	16.12.2009-15.12.2019	28,900,000	–	–	–	28,900,000	–	–	–	28,900,000
	25.11.2010	1.540	25.11.2010-24.11.2020	9,150,000	–	–	–	9,150,000	–	–	–	9,150,000
				42,240,000	–	–	–	42,240,000	–	–	–	42,240,000
				231,000,000	–	–	–	231,000,000	–	–	–	231,000,000

Notes:

(1) The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

(2) The exercise price of the share option is subject to adjustment in the case of a capitalization issue, rights issue, sub-division or consolidation of the Company's shares or reduction of the Company's share capital.

(3) These fair values of the share options granted for the years ended were calculated using the Black-Scholes pricing model. The inputs into the model were at the date of grant of options as follows:

	The Group								
Date of grant	13 August 2007	17 August 2007	21 August 2007	19 August 2008	27 August 2008	16 December 2009	9 February 2010	25 November 2010	7 December 2010
Number of share option	19,200,000	14,400,000	14,500,000	74,200,000	9,600,000	58,100,000	24,900,000	56,720,000	9,150,000
Share price at grant date (HK$)	0.38	0.28	0.34	1.11	1.16	0.74	0.89	1.54	1.74
Weighted average exercise price (HK$)	0.38	0.36	0.35	1.14	1.16	0.74	0.90	1.54	1.74
Expected volatility (expressed as weighted average volatility)	61.97%	62.15%	62.15%	99.81%	96.08%	76.61%	75.08%	60.28%	59.75%
No. of years for option life (expressed as weighted average life)	10	10	10	10	10	10	10	10	10
Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate	3.96%	3.97%	3.88%	1.00%	1.15%	0.08%	0.18%	0.27%	0.35%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 1 year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

No share options were granted for the year ended 31 March 2013 (2012: Nil). At 31 March 2013, the Company had 231,000,000 share options (2012: 231,000,000) outstanding under the Option Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 231,000,000 (2012: 231,000,000) additional ordinary shares of HK$0.04 each (2012: HK$0.04 each) of the Company and additional share capital of HK$9,240,000 (2012: HK$9,240,000) and cash proceeds to the Company of HK$247,739,000 (2012: HK$247,739,000) (before share issue expenses).

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, the services provided to the Group's largest client and five largest clients accounted for 46% and 92%, respectively of the total turnover for the year. The Group's largest supplier and five largest suppliers accounted for 19% and 71% purchases of the Group for the year ended 31 March 2013.

In the opinion of the directors, none of the directors, their associates or any shareholders of the Company who owned more than 5% of the Company's share capital had any interest in the Group's five largest customers and suppliers.

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

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year under review.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

Having made specific enquiry of all directors, all directors confirmed they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company.

BOARD PRACTICES AND PROCEDURES

The Company has complied with Rules 5.34 to 5.45 of the GEM Listing Rules concerning board practices and procedures throughout the year ended 31 March 2013.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of the independent non-executive directors are independent.

PRE-EMPTIVE RIGHTS

There is 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.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 March 2013.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company considers all of the independent non-executive directors are independent.

AUDIT COMMITTEE

The audit committee comprises three members, Mr. Tou Kin Chuen, Mr. Chan Tin Lup, Trevor and Mr. Wang Zhigang. All of them are independent non-executive Directors of the Company and Mr. Tou Kin Chuen was appointed as the Chairman of the Audit Committee.

The primary duties of the audit committee are to review the Company's annual and quarterly financial reports and to provide advice and comments thereon to the Board of Directors. Two audit committee meetings were held during the year.

The Group's annual results for the year ended 31 March 2013 have been reviewed by the audit committee, which is of the opinion that the preparation of such consolidated financial statements complies with applicable accounting standards, the GEM Listing Rules, and that adequate disclosures have been made.

REMUNERATION COMMITTEE

According to the Code on Corporate Governance Practices, the Company established its remuneration committee ("Remuneration Committee") on 18 March 2005. During the year under review, the Remuneration Committee comprised three members, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Wang Zhigang all of them are independent non-executive Directors and Mr. Chan Tin Lup, Trevor was appointed as the Chairman of the Remuneration Committee.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Group's policy and structure in relation to the remuneration of Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

EMOLUMENT POLICY

The Group's emolument policy for senior executives is basically performance-linked. Staff benefits, including medical coverage and mandatory provident funds are also provided to employees where appropriate.

EVENTS AFTER REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in note 40 to the consolidated financial statements.

AUDITOR

The consolidated financial statements for the year ended 31 March 2013 were audited by Andes Glacier CPA Limited, who would retire at the forthcoming annual general meeting, and being eligible, offer themselves for re-appointment.

A resolution will be submitted to the annual general meeting of the Company to re-appoint Andes Glacier CPA Limited, as auditor of the Company.

On behalf of the Board

Chau Cheok Wa
Chairman

Hong Kong, 14 June 2013

CORPORATE GOVERNANCE REPORT

The Company is committed to high standards of corporate governance for the enhancement of shareholder value. The Company believes that good corporate governance is not only in the interest of investors but also in the interest of the Company. It is also of the view that good corporate governance is a reflection of the standard and quality of the management and operations of the Company and it also helps sustain the long-term support of shareholders upon which the Company's success depends.

The Company closely monitors corporate governance development in Hong Kong and it regularly reviews its corporate governance practices in light of experience and evolving regulatory requirements to ensure that the Company keeps abreast of shareholders' expectations. The principles of corporate governance adopted by the Company emphasize a quality board, sound internal control, and transparency and accountability to shareholders.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices ("Code on CG Practices") contained in Appendix 15 of the GEM Listing Rules throughout the year ended 31 March 2013.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a Code of Conduct regarding Securities Transactions by Directors on terms no less exacting than the required standard of dealings ("Code of Conduct"). Having made specified enquiry with the Directors, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Code of Conduct for the year ended 31 March 2013.

BOARD OF DIRECTORS

The principal duty of the board of directors of the Company ("the Board") is to ensure that the Company is properly managed in the interest of shareholders.

The Board, led by the Chairman, is responsible for the formulation of Company-wide strategies and policies, including an oversight of the management. Management is responsible for the day-to-day operations of the Company under the leadership of the Chief Executive Officer.

As at 31 March 2013, the Board comprised 7 Directors, including the Chairman, 4 Executive Directors and 3 Independent Non-executive Directors. One of the Independent Non-executive Directors has appropriate professional qualifications in accounting. Biographical details of the Directors are set out on pages 12 to 13.

In determining the independence of a Director, the Board would consider whether the Director has any direct or indirect material relationship with the Company and the Board follows the requirements set out in the GEM Listing Rules. Each of the Independent Non-executive Directors has made an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company is of the view that all the Independent Non-executive Directors meet the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and considers that they are independent.

The position of the Chairman and the Chief Executive Officer are held by separate individuals. The role of the Chairman is separated from that of the Chief Executive Officer. Such division of responsibilities helps to reinforce their independence and accountability.

Mr. Chau Cheok Wa is the Chairman of the Company and Ms. Yeung So Lai is the Chief Executive Officer of the Company.

The Chairman is responsible for providing leadership to, and overseeing the functioning of, the Board to ensure that the Board acts in the best interest of the Company. To ensure that Board meetings are planned and conducted effectively, the Chairman is primarily responsible for drawing up and approving the agenda for each Board meeting, taking into account, where appropriate, any matters proposed by other Directors for inclusion in the agenda. With the support of Executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues arising at Board meetings and receive adequate and reliable information in a timely manner. The Chairman also actively encourages Directors to be fully engaged in the Board's affairs and make contribution to the Board's functions. With the support of all other members of the Board, the Chairman procures that good corporate governance practices and procedures are established and that appropriate steps are taken to provide effective communication with shareholders.

The Chief Executive Officer is responsible for managing the business of the entire Company, attending to the formulation and successful implementation of company policies and assuming full accountability to the Board for all Company operation. Acting as the principal navigator of the Company's businesses, the Chief Executive Officer attends to developing strategic operation plans that reflect the longer term objectives and priorities established by the Board and is directly responsible for maintaining the operational performance of the Company. The Chief Executive Officer also maintains ongoing dialogue with the Chairman and all Directors to keep them fully informed of all major business development and issues.

The Board meets regularly, and at least 4 times a year. Between scheduled meetings, senior management of the Group from time to time provides to Directors information on the activities and development of the businesses of the Group. In addition, Directors have full access to information on the Group and independent professional advice whenever deemed necessary by the Directors.

The Board held 10 meetings during the year ended 31 March 2013. Details of attendance of individual Directors at Board Meetings are presented below:

	Attended/ Eligible to attend
Chairman	
Mr. Chau Cheok Wa	10/10
Executive Directors	
Ms. Cheng Mei Ching	10/10
Mr. Lee Chi Shing, Caesar	10/10
Ms. Yeung So Lai	10/10
Independent non-executive Directors	
Mr. Tou Kin Chuen	4/4
Mr. Chan Tin Lup, Trevor	4/4
Mr. Wang Zhigang	4/4

Save for the above regular board meetings of the Period, the Board will meet on other occasions when a board-level decision on a particular matter is required. The Directors will receive details of agenda items for decision 7 business days in advance of each board meeting and the minutes within 3 business days after the meeting.

Each of the Independent Non-executive Directors has entered into a letter of service with the Company for a term of one year's period. All the Independent Non-executive Directors are subject to re-election at each annual general meeting of the Company.

Corporate Governance Report

Upon appointment, Directors would receive an orientation review of the Company and its business from senior executives. Information are provided to Directors regularly to ensure that Directors keep up with the latest changes in the commercial and regulatory environment in which the Group conducts its businesses.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group.

The Directors ensure the consolidated financial statements of the Group are prepared in accordance with the statutory requirements and applicable accounting standards. The Directors also ensure the publication of the consolidated financial statements of the Group is made in a timely manner. The Directors, having made appropriate enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

The statement of the Auditor of the Company about their reporting responsibilities on the consolidated financial statements of the Group is set out in the Auditor's Report on pages 31 and 32.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the GEM Listing Rules. The duties of the audit committee are to review the Company's annual and quarterly financial reports and to provide advice and comments thereon to the Board. The audit committee comprises three independent non-executive Directors, namely, Mr. Tou Kin Chuen, Mr. Chan Tin Lup, Trevor and Mr. Wang Zhigang. The biographies of members of the audit committee are set out in the paragraph headed "Directors and Staff" above.

The Audit Committee held 2 meetings in 2013 and the attendance records are set out below:

Name of Member	Attended/ Eligible to attend
Mr. Tou Kin Chuen *(Chairman)*	2/2
Mr. Chan Tin Lup, Trevor	2/2
Mr. Wang Zhigang	2/2

For 2013, the Audit Committee reviewed with senior management and the external auditors of the Company their respective audit findings, the accounting principles and practices adopted by the Company, legal and regulatory compliance, and internal control, risk management and financial reporting matters (including the interim and annual financial statements for the year ended 31 March 2013 before recommending them to the Board for approval). In particular, the Audit Committee monitored the integrity of financial statements of the Company and the annual report and accounts and quarterly reports and accounts of the Company, discussed with management and the external auditor, and reviewed significant financial reporting judgments contained in them. In this regard, in reviewing such reports and accounts of the Company before submission to the Board, the Audit Committee focused particularly on:

(a) any changes in financial reporting and accounting policies and practices;

(b) major judgmental areas;

(c) significant adjustments resulting from audit;

(d) the going concern assumption and any qualifications;

(e) compliance with accounting standards; and

(f) compliance with the GEM Listing Rules and any other legal requirements in relation to financial reporting.

The audited consolidated results of the Group for the year ended 31 March 2013 have been reviewed by the Audit Committee.

AUDITOR'S REMUNERATION

The amount of fees charged by the Auditor generally depends on the scope and volume of the auditor's work. For the year ended 31 March 2013, the Auditor of the Company received approximately HK$1,100,000 for audit services.

REMUNERATIONS COMMITTEE

The Company has established a Remunerations Committee in March 2005. The current existing Remunerations Committee consists three Independent Non-executive Directors, namely, Mr. Tou Kin Chuen, Chan Tin Lup, Trevor and Mr. Wang Zhigang. The biographies of members of the Remuneration Committee are set out in the paragraph headed "Directors and Staff".

The Remunerations Committee would assist the Board to develop and administer a fair and transparent procedure for setting policy on the remuneration of Directors and senior management of the Company and for determining their remuneration packages and also is responsible for the administration of the share option schemes adopted by the Company. Terms of reference of the Remunerations Committee are approved by the Directors.

Executive Directors are responsible for reviewing all relevant remuneration data and market conditions as well as the performance of the individual and the profitability of the Company, and propose to the Remunerations Committee for consideration and approval, remuneration packages for Directors and senior management.

The Remunerations Committee held 1 meeting for the financial year 31 March 2013. The attendance records are presented below:

Name of Member	Attended/ Eligible to attend
Mr. Chan Tin Lup, Trevor *(Chairman)*	1/1
Mr. Tou Kin Chuen	1/1
Mr. Wang Zhigang	1/1

Corporate Governance Report

The remuneration of Directors and senior management was determined with reference to the performance and profitability of the Company as well as remuneration benchmarks from other local and international companies and the prevailing market conditions. Directors and employees also participate in bonus arrangements determined in accordance with the performance of the Group and the individual's performance.

Details of Directors' emoluments for the year ended 31 March 2013 are set out in note 13 to the consolidated financial statements.

NOMINATIONS COMMITTEE

A nomination committee is not necessary for the Company, after the Board reviewed the needs and current situation of the Company. The Board will be responsible for reviewing the profile of current directors and potential candidate of director to ensure that the composition of the Board is appropriate for the Company.

INTERNAL CONTROL

An internal control system, being an integral part of the Company's operations, is a process effected by the Board and management team to provide reasonable assurance regarding the effectiveness and efficiency of operations in achieving the established corporate objectives, safeguarding Company assets, providing reliable financial reporting, and complying with applicable laws and regulations.

The Board is responsible for making appropriate assertions on the adequacy of internal controls over financial reporting and the effectiveness of disclosure controls and procedures. Through the Audit Committee, it regularly reviews the effectiveness of the system.

INVESTOR RELATIONS AND SHAREHOLDERS' RIGHTS

The Board is committed to providing clear and full information about the Company's performance to shareholders through the publication of quarterly reports and annual report. In addition to dispatching circulars, notices and financial reports to shareholders, additional information is also available to shareholders on the websites of the Group and the Stock Exchange.

The annual general meeting provides a useful forum for shareholders to raise comments and exchange views with the Board. Shareholders are encouraged to attend annual general meetings for which the Company gives at least 21 clear business days' notice. The Chairman and Directors and external auditors are available to answer questions on the Company's businesses at the meeting.

Shareholders have statutory rights to call for extraordinary general meetings by serving written requests to the Company and to put forward agenda items for consideration by shareholders. Details of the poll voting procedures and the rights of shareholders to demand a poll are included in the circular to shareholders despatched together with the annual report. The results of the poll are published on the Company's website and the Stock Exchange's website. Financial and other information is available on the websites of the Company and the Stock Exchange.

The Company values feedback from shareholders on its effort to promote transparencies and foster investor relationships. Comments and suggestions are welcome and can be addressed to our Company by mail.

VOTING BY POLL

In compliance with the requirements on the poll voting procedures, the Company has informed the Members in respect of the procedures for voting by poll and the rights of the Members in demanding for poll in each general meeting. Pursuant to Article 72 of the Company's Articles of Association, a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded at any general meeting. In the general meetings held during the Year, the Company counted all proxy votes, and except where polls were required, chairman of each general meeting had expressly indicated to the members attending the meetings the levels of proxies lodged on each resolution, and the balance for and against the resolution, after each of the resolution had been dealt with on a show of hands.

Furthermore, Article 72 of the Articles of Association, a vote by poll may be demanded by:

(a) the Chairman of the meeting; or

(b) at least three members present in person or by proxy and entitled to vote; or

(c) any member or members present in person or by proxy and representing in the aggregate not less than one- tenth of the total voting rights of all members having the right attend and vote at the meeting; or

(d) any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

In the general meetings held during the year, there were resolutions requiring polls either demanded by the chairmen of the meetings or required under the Listing Rules. In each general meeting, Tricor Tengis Limited, the Company's Hong Kong Branch Registrar, was instructed to act as scrutineer. In each general meeting held during the year, the Company had ensured that where appropriate:

(i) the procedure for demanding a poll by the Shareholders before putting a resolution to the vote on a show of hands; and

(ii) the detailed procedures for conducting a poll and then answer any questions from the Shareholders whenever voting by way of a poll is required.

As such, the Company has complied with the requirements in relation to vote by poll.

INDEPENDENT AUDITOR'S REPORT

Andes Glacier CPA Limited
CERTIFIED PUBLIC ACCOUNTANTS
思捷會計師行有限公司

Unit 1, 20/Floor, No. 50 Gloucester Road,
Wanchai, Hong Kong
香港灣仔告士打道50號馬來西亞大廈20樓01室

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF SUN INTERNATIONAL RESOURCES LIMITED
(Incorporated in Cayman Islands with limited liability)

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the consolidated financial statements of Sun International Resources Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 33 to 98 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.

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 the 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.

Independent Auditor's Report

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 loss 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 the Hong Kong Companies Ordinance.

Andes Glacier CPA Limited
Certified Public Accountants

Hsu Yuk King, Mercedes
Practising Certificate Number: P03548

Hong Kong, 14 June 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013

	Notes	2013 HK$	2012 HK$
Turnover	7	**239,725,206**	234,092,979
Direct costs		**(64,406,554)**	(39,369,324)
Gross profit		**175,318,652**	194,723,655
Other operating income	9	**5,379,722**	6,677,876
Administrative expenses		**(82,182,090)**	(74,145,603)
Amortization of intangible assets		**–**	(15,570,581)
Fair value change of derivative financial instruments	25	**(979,514)**	(4,038,397)
Fair value change of investment properties	19	**(6,203,173)**	–
Share of losses of associates	21	**(995,233)**	(1,458,809)
Loss on early redemption of convertible notes	32	**(951,964)**	(5,967,223)
Impairment loss on intangible assets	16	**(557,441,734)**	–
Impairment loss on goodwill	17	**(189,655,069)**	–
Gain on disposal of a subsidiary	36	**61,315**	–
Finance costs	10	**(5,713,810)**	(7,836,548)
(Loss)/profit before taxation		**(663,362,898)**	92,384,370
Income tax credit/(expense)	11	**128,516,887**	(11,152,410)
(Loss)/profit for the year	12	**(534,846,011)**	81,231,960
Other comprehensive loss:			
Currency translation differences		**(216,549)**	(7,866,750)
Total comprehensive (loss)/income for the year		**(535,062,560)**	73,365,210
(Loss)/profit for the year attributable to:			
Equity holders of the Company		**(327,543,460)**	87,572,918
Non-controlling interests		**(207,302,551)**	(6,340,958)
		(534,846,011)	81,231,960
Total comprehensive (loss)/income for the year attributable to:			
Equity holders of the Company		**(326,665,924)**	80,703,378
Non-controlling interests		**(208,396,636)**	(7,338,168)
		(535,062,560)	73,365,210
(Loss)/earnings per share (HK cents per share)	15		
Basic		**(35.31)**	9.44
Diluted		**(35.31)**	8.87

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2013

	Notes	2013 HK$	2012 HK$
Non-current assets			
Intangible assets	16	**533,000,000**	1,092,237,070
Goodwill	17	**229,884,229**	419,539,298
Property, plant and equipment	18	**50,632,022**	32,301,084
Investment properties	19	**74,000,000**	76,652,958
Interests in associates	21	**277,545,958**	278,541,191
		1,165,062,209	1,899,271,601
Current assets			
Inventories	22	**25,436,616**	42,163,142
Trade receivables	23	**79,412,065**	140,462,427
Prepayments, deposits and other receivables	24	**17,971,873**	18,502,500
Derivative financial instruments	25	**–**	1,931,478
Tax recoverable		**–**	552,342
Bank balances and cash		**172,901,735**	57,501,651
		295,722,289	261,113,540
Current liabilities			
Accruals and other payables	26	**31,137,855**	21,891,052
Trade payables	27	**7,710,773**	2,253,482
Deposits received		**1,083,336**	1,063,611
Amount due to a non-controlling shareholder of a subsidiary	28	**–**	25,350,000
Obligations under finance leases	29	**–**	22,395
Convertible notes	32	**45,123,469**	–
Promissory note	30	**–**	140,000,000
Tax payables		**3,724,988**	3,034,620
		88,780,421	193,615,160
Net current assets		**206,941,868**	67,498,380
Total assets less current liabilities		**1,372,004,077**	1,966,769,981
Non-current liabilities			
Deferred taxation	31	**126,156,559**	265,516,993
Convertible notes	32	**–**	81,347,650
Promissory note	30	**140,000,000**	–
Amount due to a non-controlling shareholder of a subsidiary	28	**25,350,000**	–
		291,506,559	346,864,643
Net assets		**1,080,497,518**	1,619,905,338

Consolidated Statement of Financial Position

At 31 March 2013

	Notes	2013 HK$	2012 HK$
Capital and reserves			
Share capital	33	**37,104,000**	37,104,000
Reserves		**855,903,579**	1,186,914,763
Equity attributable to equity holders of the Company		**893,007,579**	1,224,018,763
Non-controlling interests		**187,489,939**	395,886,575
Total equity		**1,080,497,518**	1,619,905,338

Approved and authorised for issue by the Board of Directors on 14 June 2013 and are signed on its behalf by:

Chau Cheok Wa
Director

Yeung So Lai
Director

STATEMENT OF FINANCIAL POSITION

At 31 March 2013

	Notes	2013 HK$	2012 (Restated) HK$
Non-current asset			
Investment in a subsidiary	20	–	–
Current assets			
Prepayments, deposits and other receivables	24	102,421	350,088
Amounts due from subsidiaries	20	1,168,626,631	1,162,146,294
Derivative financial instruments	25	–	1,931,478
Bank balances and cash		95,911,779	1,125,897
		1,264,640,831	1,165,553,757
Current liabilities			
Accruals and other payables	26	479,269	485,740
Amounts due to subsidiaries	20	258,734,726	110,989,450
Promissory note	30	–	140,000,000
Convertible notes	32	45,123,469	–
		304,337,464	251,475,190
Net current assets		960,303,367	914,078,567
Non-current liabilities			
Promissory note	30	140,000,000	–
Convertible notes	32	–	81,347,650
		140,000,000	81,347,650
Net assets		820,303,367	832,730,917
Capital and reserves			
Share capital	33	37,104,000	37,104,000
Reserves	34	783,199,367	795,626,917
Total equity		820,303,367	832,730,917

Approved and authorised for issue by the Board of Directors on 14 June 2013 and are signed on its behalf by:

Chau Cheok Wa
Director

Yeung So Lai
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2013

	Attributable to equity holders of the Company										
	Share Capital HK$	Share Premium HK$	Capital Redemption Reserve HK$	Merger Deficit HK$	Share Options Reserve HK$	Convertible Notes Reserve HK$	Translation Reserve HK$	Retained Profits HK$	Sub-total HK$	Non-Controlling Interests HK$	Total HK$
At 1 April 2011	37,104,000	747,247,169	254,600	369,866	38,254,919	18,366,388	(1,757,702)	321,716,889	1,161,556,129	404,024,743	1,565,580,872
Profit for the year	–	–	–	–	–	–	–	87,572,918	87,572,918	(6,340,958)	81,231,960
Other comprehensive loss:											
Currency translation differences	–	–	–	–	–	–	(6,869,540)	–	(6,869,540)	(997,210)	(7,866,750)
Total comprehensive income for the year ended 31 March 2012	–	–	–	–	–	–	(6,869,540)	87,572,918	80,703,378	(7,338,168)	73,365,210
Dividend paid	–	–	–	–	–	–	–	(13,914,000)	(13,914,000)	–	(13,914,000)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	–	–	(800,000)	(800,000)
Redemption of convertible notes	–	–	–	–	–	(4,326,744)	–	–	(4,326,744)	–	(4,326,744)
At 31 March 2012 and 1 April 2012	**37,104,000**	**747,247,169**	**254,600**	**369,866**	**38,254,919**	**14,039,644**	**(8,627,242)**	**395,375,807**	**1,224,018,763**	**395,886,575**	**1,619,905,338**
Loss for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(327,543,460)**	**(327,543,460)**	**(207,302,551)**	**(534,846,011)**
Other comprehensive loss:											
Currency translation differences	**–**	**–**	**–**	**–**	**–**	**–**	**877,536**	**–**	**877,536**	**(1,094,085)**	**(216,549)**
Total comprehensive loss for the year ended 31 March 2013	**–**	**–**	**–**	**–**	**–**	**–**	**877,536**	**(327,543,460)**	**(326,665,924)**	**(208,396,636)**	**(535,062,560)**
Redemption of convertible notes	**–**	**–**	**–**	**–**	**–**	**(4,345,260)**	**–**	**–**	**(4,345,260)**	**–**	**(4,345,260)**
At 31 March 2013	**37,104,000**	**747,247,169**	**254,600**	**369,866**	**38,254,919**	**9,694,384**	**(7,749,706)**	**67,832,347**	**893,007,579**	**187,489,939**	**1,080,497,518**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2013

	Notes	2013 HK$	2012 (Restated) HK$
Operating activities			
(Loss)/profit before taxation		**(663,362,898)**	92,384,370
Amortization of intangible assets		**–**	15,570,581
Depreciation		**11,828,426**	7,866,244
Effective interest expense on convertible notes		**5,713,406**	7,827,757
Fair value change of derivative financial instruments		**979,514**	4,038,397
Interest income		**(1,196,360)**	(1,222,787)
Interest on finance leases		**404**	8,791
Loss on early redemption of convertible notes		**951,964**	5,967,223
Share of losses of associates		**995,233**	1,458,809
Written off of property, plant and equipment		**2,009**	435,181
Fair value change on convertible notes		**109,017**	–
Impairment loss on goodwill		**189,655,069**	–
Impairment loss on intangible assets		**557,441,734**	–
Fair value change of investment properties		**6,203,173**	–
Gain on disposal of a subsidiary	36	**(61,315)**	–
Gain on disposal of property, plant and equipment		**(30,846)**	–
Operating cash flows before working capital change		**109,228,530**	134,334,566
Decrease/(increase) in inventories		**15,510,552**	(20,096,225)
Decrease/(increase) in trade receivables, prepayments, deposits and other receivables		**63,936,641**	(70,342,472)
Increase in trade payables, accruals, other payables and deposits received		**15,107,248**	1,714,483
Cash generated from operations		**203,782,971**	45,610,352
Income tax paid		**(9,600,837)**	(14,162,402)
Net cash inflow from operating activities		**194,182,134**	31,447,950
Investing activities			
Proceeds from disposal of property, plant and equipment		**194,594**	–
Purchase of property, plant and equipment		**(31,259,558)**	(10,941,105)
Purchase of investment properties		**–**	(188,638)
Proceeds from disposal of a subsidiary	36	**200,000**	–
Interest received		**17,901**	37,247
Net cash used in investing activities		**(30,847,063)**	(11,092,496)

Consolidated Statement of Cash Flows
For the year ended 31 March 2013

	Notes	2013 HK$	2012 (Restated) HK$
Financing activities			
Repayment of obligation under finance leases		**(22,395)**	(102,542)
Payment for early redemption of convertible notes		**(43,555,692)**	(83,323,693)
Payment for interest of convertible notes		**(3,201,900)**	(12,138,983)
Payment for interest on finance leases		**(404)**	(8,791)
Dividend paid		**–**	(14,714,000)
Net cash used in financing activities		**(46,780,391)**	(110,288,009)
Net increase/(decrease) in cash and cash equivalents		**116,554,680**	(89,932,555)
Cash and cash equivalents at beginning of the year		**57,501,651**	147,144,130
Effect of changes in exchange rate, net		**(1,154,596)**	290,076
Cash and cash equivalents at end of the year		**172,901,735**	57,501,651
Analysis of the balance of cash and cash equivalents			
Bank balances and cash		**172,901,735**	57,501,651

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2013

1. GENERAL INFORMATION

The Company is incorporated in the Cayman Islands on 11 July 2000 as an exempted company with limited liability under the Companies Law (Revised) of Cayman Islands. Its shares are listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). As at the reporting date, the ultimate holding company of the Company (the "Ultimate Holding Company") is First Cheer Holdings Limited, a company incorporated in the British Virgin Islands. The address of the registered office and principal place of business of the Company are disclosed in page 3 of the annual report.

The Company's principal activity is investment holding and the principal activities of its principal subsidiaries are set out in note 20.

The consolidated financial statements are presented in Hong Kong dollars, 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, for the first time, the following amendments issued by the HKICPA, which are effective for the Group's financial period beginning 1 April 2012.

HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
HKFRS 7 (Amendment)	Disclosures – Transfers of Financial Assets
HKAS 12 (Amendment)	Deferred Tax: Recovery of Underlying Assets

The adoption of the amendments had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

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

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective.

HKFRS 1 (Amendment)	Government Loans [b]
HKFRS 7 (Amendment)	Disclosures – Offsetting Financial Assets and Financial Liabilities [b]
HKFRS 9	Financial Instruments [d]
HKFRS 10	Consolidated Financial Statements [b]
HKFRS 11	Joint Arrangements [b]
HKFRS 12	Disclosure of Interests in Other Entities [b]
HKFRS 10, HKFRS 11 and HKFRS 12 Amendment	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance [b]
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendment	Investment Entities [c]
HKFRS 13	Fair Value Measurement [b]
HKAS 1 Amendment	Presentation of Items of Other Comprehensive Income [a]
HKAS 19 (2011)	Employee Benefits [b]
HKAS 27 (2011)	Separate Financial Statements [b]
HKAS 28 (2011)	Investments in Associates and Joint Ventures [b]
HKAS 32 Amendment	Offsetting Financial Assets and Financial Liabilities [c]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine [b]
Annual Improvements Project	Annual Improvements 2009-2011 Cycle [b]

(a) Effective for annual periods beginning on or after 1st July 2012.
(b) Effective for annual periods beginning on or after 1st January 2013.
(c) Effective for annual periods beginning on or after 1st January 2014.
(d) Effective for annual periods beginning on or after 1st January 2015.

The Directors anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention except for certain properties and financial instruments, which are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose 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/income statement 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 in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted (please describe how the adjustment to non-controlling interests is determined) and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(a) Basis of consolidation *(continued)*

When the Group loses control of a subsidiary, it (i) derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost, (ii) derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date when control is lost (including any components of other comprehensive income attributable to them), and (iii) recognises the aggregate of the fair value of the consideration received and the fair value of any retained interest, with any resulting difference being recognise as a gain or loss in profit or loss attributable to the Group. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

(b) Business combinations

The acquisition of business is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 Business Combinations are recognised at their fair values at the acquisition date, except for non-current assets (or disposal) groups that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets and contingent liabilities recognised.

(c) Goodwill

Goodwill arising on an acquisition of a subsidiary is carried at cost less any accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Goodwill *(continued)*

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period.

If the recoverable amount of the cash-generating unit is less than the carrying amount, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

(d) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. On initial recognition, investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in the profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss for the period in which the property is derecognised.

(e) Property, plant and equipment

Property, plant and equipment other than leasehold land and land use right are stated at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives and after taking into account their estimated residual value, using the straight line method, at the following rates per annum:

Buildings	2.5%
Computer equipment	30%
Office equipment	20%
Furniture and fixtures	20%
Machine equipment	20%
Motor vehicles	20%
Yacht	20%
Leasehold improvements	4% to 20%

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Property, plant and equipment *(continued)*

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued used of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in the profit or loss.

When an item of property, plant and equipment is transferred to investment property, following a change in its use, any differences between the carrying amount and the fair value of the item arising at the date of transfer is recognised directly in equity at a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment, the gain is recognised in the consolidated income. On subsequent disposal of the investment property, the revaluation surplus is transferred to retained earnings.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

(f) Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses as follows:

(i) Mining rights

Mining rights are stated at cost less accumulated amortisation and accumulated impairment losses. The mining rights are amortised using the units of production method based on the proven and probable mineral reserves.

Intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see accounting policy in respect of impairment losses on tangible and intangible assets below).

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(g) Interests in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Upon disposal of an associate that results in the Group losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with HKAS 39. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over that associate.

Where a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised on the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Inventories

Inventories represent work in progress purchased for re-sale. Inventories are stated at the lower of cost and net realisable value.

The cost of work in progress and finished goods, comprising raw materials, direct labour, other direct costs and an appropriate proportion of related production overheads, are determined using the weighted average method. It excludes borrowing costs. Net realisable value is the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Film in progress represents films and televisions drama series under production and is stated at cost incurred to date, less any identified impairment loss. Cost is transferred to film rights upon completion.

(i) Financial instruments

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

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 and financial liabilities at fair value through profit or loss) ("FVTPL") 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 at FVTPL are recognised immediately in the profit or loss.

Financial assets

The Group's financial assets are classified into loans and receivables. The classification depends on the nature and purpose of financial assets and its 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.

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 and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debts instruments, 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Financial instruments *(continued)*

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period date subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any identified impairment losses.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each 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 investment have been affected.

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

(i) significant financial difficulty of the issuer or counterparty; or
(ii) default or delinquency in interest or principal payments; or
(iii) it becoming probable that the borrower will enter bankruptcy or financial reorganisation; or
(iv) the disappearance of an active market for the financial asset because of financial difficulties.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently 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 average credit period, observable changes in national or local economic conditions that are correlate with default on receivables.

For financial assets carried at amortised cost, the amount of an 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Financial instruments *(continued)*

Impairment of financial assets *(continued)*

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 loses 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.

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 instrument issued by the Group are recognised at the proceeds received, net direct issued 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 through the expected life of the financial liability, or where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expenses is recognised on an effective interest basis other than financial liabilities classified as at FVTPL.

Convertible notes

Convertible notes issued by the Company that contain liability, conversion option and early redemption option are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Financial instruments *(continued)*

Convertible notes *(continued)*

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate of similar non-convertible instruments. At the date of issue, both the liability and early redemption option components are measured at fair value. In subsequent periods, the liability component of the convertible notes is recorded at amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Other financial liabilities

Other financial liabilities (including accruals and other payables, deposit received, and amount due to a shareholder) are subsequently measured at amortised cost, using the effective interest rate method.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Financial instruments *(continued)*

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in the profit or loss.

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

(j) Borrowing costs

All borrowing costs are recognised in consolidated profit or loss in the period in which they are incurred.

(k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amount receivable for goods sold and service provided in the normal course of business, net of discounts and sale related taxes.

Sales of goods are recognised when the goods are delivered to the customer and the customer has accepted the related risks and rewards of ownership.

Service income is recognised when services are rendered, on an accrual basis or where condition attached to the relevant agreements and mandates is in satisfaction of the relevant condition.

Revenue from License of distribution rights over films is recognised when the Group's entitlement to such payments has been established when the notice of delivery is served to the customer.

Film distribution fee income is recognised when the master materials have been delivered.

Interest income from a financial asset 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.

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term except where an alternative basis is more representative of the pattern of benefit to be derived from the operating lease. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned. Rental income exclude business tax or other sales related taxes.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(l) 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 and deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amount 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, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits 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 tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the above general principles set out in HKAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

Current and deferred tax are recognised in profit or loss, except when they relate 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(m) Leases

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 lessor

Rental income from operating leases is recognised in the consolidated statement of comprehensive income on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy above). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-ling basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

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, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(n) Retirement benefit scheme

Payments to the Mandatory Provident Fund Scheme ("MPF Scheme") are recognised as an expense when employees have rendered services entitling them to the contributions.

(o) 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 exchange 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. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(o) Foreign currencies *(continued)*

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. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in (in other comprehensive income), in which cases, the exchange differences are also recognised directly in (in other comprehensive income).

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into presentation currency of the Group (i.e. Hong Kong dollars) using exchange rate prevailing at the end of each reporting period, income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interest as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss. In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in the translation reserve.

(p) Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income on a straightline basis over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at the reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(p) Share-based payments *(continued)*

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged during the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that related to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires when it is released directly to retained profits) with the fair value of goods and services received.

(q) Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

(r) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

(s) Related parties

1. A person, or a close member of that person's family, is related to the Group if that person:

    (i) has control or joint control over the Group;

    (ii) has significant influence over the Group; or

    (iii) is a member of the key management personnel of the Group or the Group's parent.

2. An entity is related to the Group if any of the following conditions applies:

    (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

    (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(s) Related parties *(continued)*

2. *(continued)*

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in note 3(s)(1).

(vii) A person identified in note 3(s)(1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(t) Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives 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. When 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

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 that 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 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 in profit or loss.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

The followings are the critical judgments, apart from those involving estimations, that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Estimate Income tax and deferred tax

The Group is subject to income taxes mainly in the Indonesia, Philippines, and Hong Kong. Significant estimates are required in determining the amount of the provision for income tax and the time of payment of the related tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised to be probable that future taxable profit will be available against which the temporary difference or tax losses can be utilised. The out come of their actual utilisation may be difference.

Deferred tax liabilities are recognised for the impairments assets in excess of related depreciations in the Indonesia and any change in estimates would affect the profit or loss in future years.

Useful lives and impairment assessment of property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and identified impairment losses. The estimation of useful lives impacts the level of annual depreciation record. Property, plant and equipment are evaluated for possible impairment on a specific asset basic or in company of similar assets, as applicable. This process requires management's estimate of future cash flows generated by each of company asset. For instance where this evaluation process indicates impairment, the relevant asset's carrying amount is written down to the recoverable amount and the amount written is charged against the results of operations.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

Critical judgments in applying accounting policies *(continued)*

Estimated impairment of trade receivables

The policy for impairment loss in respect of trade receivables of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Fair value of investment properties

As described in note 19, investment properties were stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on method of valuation which involves certain estimates. In relying on the valuation report, the management has exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions. Should there are changes in assumptions due to change of market conditions, the fair value of the investment properties will change in future.

Impairment of other intangible assets

The carrying amounts of other intangible assets are reviewed annually and adjusted for impairment in accordance with HKAS 36 whenever certain events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group determines the recoverable amount of the assets based on the estimations of future expected cash flows from the usage of these assets and a suitable discount rate. Where the future cash flows are less than expected, a material impairment loss may arise. Details of the recoverable amount calculation for other intangible assets are disclosed in Note 16.

Estimated Impairment of goodwill

The Group performs annual tests on whether there has been impairment of goodwill in accordance with the accounting policy stated in note 3(c). The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations. Details of the recoverable amount calculation for goodwill are disclosed in Note 17.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

Critical judgments in applying accounting policies *(continued)*

Fair value of derivatives financial instruments

The management of the Group uses their judgments in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied.

For derivatives financial instruments, assumptions are made based on quoted market rates adjusted for specific features of the instruments. The carrying amounts of these derivatives financial instruments are HK$Nil (2012: HK$1,931,478). The directors believe that the chosen valuation techniques and assumptions are appropriate in determining the fair value of financial instruments.

5. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2013 *HK$*	2012 *HK$*
Financial assets		
Loans and receivables		
(including bank balances and cash)	**270,285,673**	216,466,578
Derivative financial instruments	**–**	1,931,478
	270,285,673	218,398,056
Financial liabilities		
Amortised cost	**249,322,097**	270,864,579

(b) Financial risk management objectives and policies

The Group's major financial instruments include promissory note, convertible notes, trade receivables, bank balances and cash. 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.

There has been no change to the Group's risk exposure relating to financial instruments or the manner in which it manages and measures the risks.

5. FINANCIAL INSTRUMENTS *(continued)*

(b) Financial risk management objectives and policies *(continued)*

Market risk

(i) Foreign currency risk

The majority of the Group's monetary assets and monetary liabilities by value and the rental income are denominated in Hong Kong dollars (HK$), Renminbi ("RMB"), the Philippines Peso ("PESO") and the Indonesian Rupiah ("IDR"). The conversion of RMB into other currencies is subjected to the rules and regulations of foreign exchange control promulgated by the government of the People's Republic of China ("PRC"). The Group is exposed to foreign exchange risk in respect of exchange fluctuation of HK$ against RMB, PESO and IDR. The Group currently does not have a foreign currency hedging policy in respect of foreign current assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	2013 ***HK$***	2012 *HK$*
Assets		
PESO	**38,288,889**	46,098,818
RMB	**189,655**	1,276,399
IDR	**5,364,867**	5,267,146

	2013 ***HK$***	2012 *HK$*
Liabilities		
PESO	**10,321,000**	2,057,455
RMB	**45,123,469**	52,838,500
IDR	**15,557,276**	12,555,554

5. FINANCIAL INSTRUMENTS *(continued)*

(b) Financial risk management objectives and policies *(continued)*

Market risk *(continued)*

(i) Foreign currency risk (continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in the Hong Kong dollars against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items, and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the relevant currencies strengthen 5% against the Hong Kong dollars. For a 5% weakening of the relevant currencies against the Hong Kong dollars, there would be an equal and opposite impact on the profit and the balances below would be negative.

	2013 ***HK$***	2012 *HK$*
Impact of PESO		
Profit or (loss)	**1,398,394**	2,202,068
Impact of RMB		
Profit or (loss)	**(2,246,691)**	(2,578,105)
Impact of IDR		
Profit or (loss)	**(509,620)**	(364,420)

5. FINANCIAL INSTRUMENTS *(continued)*

(b) Financial risk management objectives and policies *(continued)*

Market risk *(continued)*

(ii) Cash flow interest rate risk

The Group's exposure to changes in interest rates is minimal as the Group had no material fixed rate financial liabilities as at 31 March 2013 and 2012.

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Sensitivity analysis

As at 31 March 2013 and 2012, a reasonably possible change of 50 basis-points interest rates on borrowing would have no material impact of the Group's results for the year.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 March 2013 in relation to each class of recognised financial assets are the carrying amount of those asset as stated in the consolidated statement of financial position. In order to minimise the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

5. FINANCIAL INSTRUMENTS *(continued)*

(b) Financial risk management objectives and policies *(continued)*

Liquidity risk

The Group manages liquidity risk by maintaining adequate bank deposits and cash, monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The liquidity risk is under continuous monitoring by management. Reports with maturity dates of obligations under finance leases and promissory note and thus the liquidity requirement are provided to management for review periodically. Management will contact the borrowers for renewals of obligations under finance leases and promissory note whenever necessary. The table below analyses the Group's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual face value without applying discounted cash flow model based on the earliest date on which the Group can be required to pay, was as follow:

	Effective interest rate	Within 1 year *HK$*	Within 2 to 5 years *HK$*	Over 5 years *HK$*	Total undiscounted cash flow *HK$*	Carrying amount *HK$*
2013						
Non-derivative financial assets						
Trade receivables	–	79,412,065	–	–	79,412,065	79,412,065
Prepayments, deposits and other receivables	–	17,971,873	–	–	17,971,873	17,971,873
Bank balances and cash	–	172,901,735	–	–	172,901,735	172,901,735
		270,285,673	–	–	270,285,673	270,285,673
2012						
Non-derivative financial assets						
Trade receivables	–	140,462,427	–	–	140,462,427	140,462,427
Prepayments, deposits and other receivables	–	18,502,500	–	–	18,502,500	18,502,500
Bank balances and cash	–	57,501,651	–	–	57,501,651	57,501,651
		216,466,578	–	–	216,466,578	216,466,578

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

5. FINANCIAL INSTRUMENTS *(continued)*

(b) Financial risk management objectives and policies *(continued)*

Liquidity risk *(continued)*

	Effective interest rate	Within 1 year *HK$*	Within 2 to 5 years *HK$*	Over 5 years *HK$*	Total undiscounted cash flow *HK$*	Carrying amount *HK$*
2013						
Non-derivative financial liabilities						
Accruals and other payables	–	31,137,855	–	–	31,137,855	31,137,855
Trade payables	–	7,710,773	–	–	7,710,773	7,710,773
Amount due to a non-controlling shareholder of a subsidiary	–	–	25,350,000	–	25,350,000	25,350,000
Obligation under finance leases	–	–	–	–	–	–
Promissory note	–	–	140,000,000	–	140,000,000	140,000,000
Convertible notes	8.54%	45,123,469	–	–	45,123,469	45,123,469
		83,972,097	165,350,000	–	249,322,097	249,322,097
2012						
Non-derivative financial liabilities						
Accruals and other payables	–	21,891,052	–	–	21,891,052	21,891,052
Trade payables	–	2,253,482	–	–	2,253,482	2,253,482
Amount due to a non-controlling shareholder of a subsidiary	–	25,350,000	–	–	25,350,000	25,350,000
Obligation under finance leases	12.20%	22,395	–	–	22,395	22,395
Promissory note	–	140,000,000	–	–	140,000,000	140,000,000
Convertible notes	8.54%	–	81,347,650	–	81,347,650	81,347,650
		189,516,929	81,347,650	–	270,864,579	270,864,579

5. FINANCIAL INSTRUMENTS *(continued)*

(b) Financial risk management objectives and policies *(continued)*

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows.

The fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid and ask prices respectively.

The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The fair value of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to 3 based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quotes prices included within level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market date (unobservable inputs).

	31 March 2013			
	Level 1	**Level 2**	**Level 3**	**Total**
	HK$	***HK$***	***HK$***	***HK$***
Financial assets				
Derivative financial instruments	–	–	–	–

	31 March 2012			
	Level 1	Level 2	Level 3	Total
	HK$	*HK$*	*HK$*	*HK$*
Financial assets				
Derivative financial instruments	–	–	1,931,478	1,931,478

6. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the abilities of the entities in the Group to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Directors actively and regularly reviewed and manage the Group's capital structure to maximise the returns to shareholders through the optimisation of the debt afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. The Group's overall strategy remains unchanged from 2011.

During the year ended 31 March 2013 the capital structure of the Group mainly consists of debts, which include amount due to a non-controlling shareholder of a subsidiary, convertible notes, promissory note, bank balances and cash, and equity attributable to equity holders, comprising issued capital and reserves. The Directors consider the cost of capital and the risks associated with each class of capital to monitor its capital structure on the basis of a gearing ratio. The ratio is calculated as borrowings divided by total equity. The Group aims to maintain the gearing ratio at a reasonable level.

The gearing ratios as at 31 March 2013 and 2012 were as follows:

	2013 ***HK$***	2012 (Restated) *HK$*
Borrowings	**210,473,469**	246,697,650
Total equity	**1,080,497,518**	1,619,905,338
Gearing ratio	**19%**	15%

7. TURNOVER

Turnover represents the aggregate of amounts received and receivable from (i) services provided to customers; (ii) goods sold to customers and (iii) rental income and is analysed as follows:

	2013 HK$	2012 HK$
Computer software solution and services income	**140,214,793**	142,345,748
Hotel services income	**85,172,407**	83,960,712
Mining services income	**9,697,641**	7,696,108
Entertainment operations	**4,640,365**	90,411
	239,725,206	234,092,979

8. SEGMENT INFORMATION

Segment information is presented by way in two segments formats: (i) on a primarily segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

Business segments

The Group's operating businesses are structured and managed separately, according to the nature of their operations and services provided. Each of the Group's business segments represents a strategic business unit that offers services which are subject to risks and returns that are different from those of the other segments.

For management purposes, the Group is currently organised into four business segments as follows:

Computer software solution and services	–	provision of computer hardware and software services
Hotel services	–	provision of hotel operation and management services
Mining services	–	provision of mining iron ores and minerals
Entertainment operations	–	production and distribution of motion pictures and model agency services and provision of other film related services

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

8. SEGMENT INFORMATION *(continued)*

Business segments *(continued)*

Statement of comprehensive income
For the year ended 31 March 2013

	Computer software solution and services HK$	Hotel services HK$	Mining services HK$	Entertainment operations HK$	Others HK$	Total HK$
Turnover						
External sales	140,214,793	85,172,407	9,697,641	4,640,365	–	239,725,206
(Loss)/Earning before interest, tax, depreciation and amortization	(58,022,159)	12,929,033	(568,297,764)	(12,014,571)	(13,246,317)	(638,651,778)
Amortization of intangible assets	–	–	–	–	–	–
Depreciation	(930,435)	(2,336,260)	(3,195,329)	(5,686)	(5,360,716)	(11,828,426)
Finance costs	–	–	(404)	–	–	(404)
Result						
Segment result	(58,952,594)	10,592,773	(571,493,497)	(12,020,257)	(18,607,033)	(650,480,608)
Unallocated corporate income						560
Unallocated corporate expenses						(7,169,444)
Finance costs						(5,713,406)
Loss before tax						(663,362,898)
Income tax credit						128,516,887
Loss for the year						(534,846,011)

Consolidated balance sheet
As at 31 March 2013

	Computer software solution and services HK$	Hotel services HK$	Mining services HK$	Entertainment operations HK$	Others HK$	Total HK$
Assets						
Segment assets	284,319,672	167,962,547	593,173,306	9,303,175	310,011,598	1,364,770,298
Unallocated corporate assets						96,014,200
Consolidated total assets						1,460,784,498
Liabilities						
Segment liabilities	3,036,301	13,151,588	173,875,173	4,469,029	152,151	194,684,242
Unallocated corporate liabilities						185,602,738
Consolidated total liabilities						380,286,980

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

8. SEGMENT INFORMATION *(continued)*

Business segments *(continued)*

Statement of comprehensive income
For the year ended 31 March 2012

	Computer software solution and services HK$	Hotel services HK$	Mining services HK$	Entertainment operations HK$	Others HK$	Total HK$
Turnover						
External sales	142,345,748	83,960,712	7,696,108	90,411	–	234,092,979
Earning before interest, tax, depreciation and amortization	110,281,750	45,653,626	(4,235,972)	(52,244)	(12,394,818)	139,252,342
Amortization of intangible assets	–	–	(15,570,581)	–	–	(15,570,581)
Depreciation	(866,530)	(2,529,991)	(3,359,661)	(11,852)	(1,098,210)	(7,866,244)
Finance costs	–	–	(8,791)	–	–	(8,791)
Result						
Segment result	109,415,220	43,123,635	(23,175,005)	(64,096)	(13,493,028)	115,806,726
Unallocated corporate income						6,125
Unallocated corporate expenses						(15,600,724)
Finance costs						(7,827,757)
Profit before tax						92,384,370
Income tax expense						(11,152,410)
Profit for the year						81,231,960

Consolidated balance sheet
As at 31 March 2012

	Computer software solution and services HK$	Hotel services HK$	Mining services HK$	Entertainment operations HK$	Others HK$	Total HK$
Assets						
Segment assets	150,646,864	210,585,808	1,152,205,976	16,861,618	626,677,412	2,156,977,678
Unallocated corporate assets						3,407,463
Consolidated total assets						2,160,385,141
Liabilities						
Segment liabilities	4,092,879	2,892,965	311,543,090	37,216	80,263	318,646,413
Unallocated corporate liabilities						221,833,390
Consolidated total liabilities						540,479,803

8. SEGMENT INFORMATION *(continued)*

Geographical segments

The Group's operations are principally located in Hong Kong, Macau, the Philippines and Indonesia. The following table provides an analysis of the Group's turnover by geographical market:

	2013 HK$	2012 (Restated) HK$
Hong Kong	102,728,158	128,431,159
Macau	42,127,000	14,005,000
The Philippines	85,172,407	83,960,712
Indonesia	9,697,641	7,696,108
	239,725,206	234,092,979

The following table provides an analysis of the Group's non-current assets by reference to the geographical area in which they are located:

	2013 HK$	2012 (Restated) HK$
Hong Kong	488,265,437	624,880,951
Macau	131,509	139,886
The Philippines	127,825,545	161,750,646
Indonesia	548,839,718	1,112,500,118
	1,165,062,209	1,899,271,601

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

9. OTHER OPERATING INCOME

	2013 **HK$**	2012 HK$
Other operating income comprised of the followings:		
Interest income	**1,196,360**	1,222,787
Sundry income	**1,709,119**	4,361,583
Exchange gain	**2,443,397**	1,093,506
Gain on disposal of property, plant and equipment	**30,846**	–
	5,379,722	6,677,876

10. FINANCE COSTS

	2013 **HK$**	2012 HK$
Finance costs comprised of the followings:		
Interest on finance leases	**404**	8,791
Effective interest expense on convertible notes	**5,713,406**	7,827,757
	5,713,810	7,836,548

11. INCOME TAX CREDIT/(EXPENSE)

	2013 **HK$**	2012 HK$
The credit/(expense) comprises:		
Current tax:		
Hong Kong Profits Tax	**(8,195,228)**	(14,905,241)
Other than Hong Kong	**(2,648,319)**	(139,814)
	(10,843,547)	(15,045,055)
Deferred tax:		
Reversal of deferred tax liability	**139,360,434**	3,892,645
Income tax credit/(expense) for the year	**128,516,887**	(11,152,410)

Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) on the estimated assessable profits for the year. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

11. INCOME TAX CREDIT/(EXPENSE) *(continued)*

The income tax credit/(expense) for the year can be reconciled to the (loss)/profit before taxation per the consolidated statement of comprehensive income as follows:

	2013 ***HK$***	2012 (Restated) *HK$*
(Loss)/profit before taxation	**(663,362,898)**	92,384,370
Tax at the Hong Kong Profits tax rate of 16.5%	**109,454,878**	(15,243,422)
Tax effect of income not taxable for tax purposes	**8,321,636**	9,311,498
Tax effect of expenses not deductible for tax purposes	**(39,430,845)**	(10,854,651)
Overprovision/(underprovision) of prior years	**2,102**	(8,250)
Effect of different tax rate for subsidiaries operating in other jurisdictions	**52,714,562**	(139,814)
Tax effect of tax losses not recognised	**(2,474,478)**	1,710,471
Effect of unrecognised temporary differences	**(70,968)**	4,071,758
Income tax credit/(expense) for the year	**128,516,887**	(11,152,410)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

12. (LOSS)/PROFIT FOR THE YEAR

(Loss)/profit for the year has been arrived at after charging:

	2013 HK$	2012 HK$
Staff costs:		
Directors' emoluments	**3,385,009**	3,765,994
Salaries and other benefits	**38,265,152**	36,880,070
Retirement benefit scheme contributions (excluding directors)	**866,721**	669,886
Total employees benefit expenses	**42,516,882**	41,315,950
Amortization of intangible assets	**–**	15,570,581
Depreciation on property, plant and equipment		
– owned assets	**11,828,426**	7,843,379
– financial leases assets	**–**	22,865
Cost of inventories recognised as an expense	**2,886,157**	2,281,024
Fair value change on convertible notes	**109,017**	–
Auditor's remuneration	**1,339,549**	1,294,047
and after crediting:		
Gross rental income from investment properties	**79,350,882**	77,647,646

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

13. DIRECTORS' AND EMPLOYEE EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each director for the year ended 31 March 2013 and 2012 were as follows:

	Directors fee		Salaries and other benefits		Retirement benefits scheme contributions		Total	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
	HK$	*HK$*	***HK$***	*HK$*	***HK$***	*HK$*	***HK$***	*HK$*
Executive directors								
Mr. Chau Cheok Wa	**–**	–	**391,959**	60,000	**14,500**	–	**406,459**	60,000
Mr. Lee Chi Shing, Caesar	**–**	–	**1,338,675**	1,170,000	**14,500**	12,000	**1,353,175**	1,182,000
Ms. Cheng Mei Ching	**–**	–	**1,113,800**	1,040,000	**14,500**	12,000	**1,128,300**	1,052,000
Ms. Yeung So Lai	**–**	–	**131,000**	1,010,000	**6,075**	11,000	**137,075**	1,021,000
	–	–	**2,975,434**	3,280,000	**49,575**	35,000	**3,025,009**	3,315,000
Independent non-executive directors								
Mr. Ng Tat Fai###	**–**	36,000	**–**	–	**–**	–	**–**	36,000
Mr. Poon Lai Yin Michael####	**–**	60,800	**–**	–	**–**	–	**–**	60,800
Mr. Wang Zhigang*	**120,000**	114,194	**–**	–	**–**	–	**120,000**	114,194
Mr. Tou Kin Chuen*	**120,000**	120,000	**–**	–	**–**	–	**120,000**	120,000
Mr. Chan Tin Lup Trevor*	**120,000**	120,000	**–**	–	**–**	–	**120,000**	120,000
	360,000	450,994	**–**	–	**–**	–	**360,000**	450,994
Total	**360,000**	450,994	**2,975,434**	3,280,000	**49,575**	35,000	**3,385,009**	3,765,994

* appointed on 14 March 2011
resigned on 29 June 2011
resigned on 1 September 2011

13. DIRECTORS' AND EMPLOYEE EMOLUMENTS *(continued)*

(b) Employees' emoluments

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

	2013 **HK$**	2012 HK$
Salaries and other benefits	**1,623,700**	1,020,000
Retirement benefit scheme contributions	**43,500**	24,000
Share options granted	**–**	–
	1,667,200	1,044,000

The emoluments were within the following bands:

	Number of employees **2013**	2012
Nil-HK$1,000,000	**3**	2
HK$1,000,001-HK$1,500,000	**2**	3

During the year ended 31 March 2013 and 2012, no emoluments were paid by the Group to the five highest paid individuals, including directors, as an inducement to join or upon joining the Group. No directors waived any emoluments during the years ended 31 March 2013 and 2012.

14. DIVIDENDS

No final dividend was proposed by the Directors for the year ended 31 March 2013 (2012: Nil).

Notes to the Consolidated Financial Statements

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15. (LOSS)/EARNINGS PER SHARE

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

	2013 **HK$**	2012 HK$
(Loss)/earnings		
(Loss)/earnings attributable to equity holders of the Company for the purpose of basic and diluted (loss)/earnings per share	**(327,543,460)**	87,572,918

	2013	2012
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	**927,600,000**	927,600,000
Effect of dilutive potential ordinary shares:		
Share options *(Note 1)*	**–**	59,252,518
Convertible notes *(Note 2)*	**–**	–
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	**927,600,000**	986,852,518

Notes:

(1) The computation of the diluted loss per share for the year ended 31 March 2013 does not assume the exercise of Company's outstanding share options since their assumed exercise would result in a decrease in loss per share for the year.

(2) The computation of diluted (loss)/earnings per share for the year ended 31 March 2013 and 2012, respectively does not assume the conversion of the outstanding convertible notes as their assumed conversion would result in a decrease in loss per share for 2013 and increase in earnings per share for 2012 respectively.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

16. INTANGIBLE ASSETS

The Group

	Mining rights *HK$*
Cost	
At 1 April 2011	1,110,342,537
Transfer from exploration and evaluation assets	33,777,360
Foreign currency realignment	(1,540,855)
At 31 March 2012 and 1 April 2012	1,142,579,042
Foreign currency realignment	(1,798,929)
At 31 March 2013	1,140,780,113
Amortization and impairment	
At 1 April 2011	34,774,241
Charge for the year	15,570,581
Foreign currency realignment	(2,850)
At 31 March 2012 and 1 April 2012	50,341,972
Foreign currency realignment	(3,593)
Impairment loss recognised in profit or loss	557,441,734
At 31 March 2013	607,780,113
Carrying amount	
At 31 March 2013	**533,000,000**
At 31 March 2012	1,092,237,070

The intangible assets of the Group represent the mining rights acquired in year 2010 with respect to the mines situated at Indonesia.

Impairment testing of intangible assets

During the year ended 31 March 2013, the directors of the Group appointed an independent professional valuer, Roma Appraisals Limited, to perform a mining rights valuation with respect to mines situated at Padang and Ende, Indonesia and impairment loss amounting to HK$557,441,734 (2012: HK$Nil) has been recognised according to the shortfall between the recoverable amount and the aggregate carrying amounts of the mining rights (being the Cash Generating Unit to which the mining unit has been allocated) based on the valuation report. The value in use calculation is based on a discount rate of 18.81% (2012: 20.04%) and cash flow projections prepared from the financial forecasts approved by the directors of the Group covering a 8-year period. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the Group's past performance on mining services and management's expectations for the market development.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

17. GOODWILL

The Group

	HK$
Cost	
At 1 April 2011, 31 March 2012, 1 April 2012 and 31 March 2013	510,685,062
Impairment	
At 1 April 2011, 31 March 2012, and 1 April 2012	91,145,764
Charge for the year	189,655,069
At 31 March 2013	280,800,833
Carrying amount	
At 31 March 2013	**229,884,229**
At 31 March 2012	419,539,298

Impairment testing of goodwill

For the purpose of impairment testing, goodwill has been allocated to the following cash generating units. The carrying amount of goodwill (net of accumulated impairment losses) as at 31 March 2013 is allocated as follow:

	2013 *HK$*	2012 *HK$*
Computer software solution and services	**180,513,136**	340,238,822
Hotel services	**49,371,093**	79,300,476
	229,884,229	419,539,298

During the year ended 31 March 2013, the directors of the Group reassessed the recoverable amount of the Cash Generating Units ("CGU") of computer software solution and services and hotel services with reference to the valuation performed by Messrs. Asset Appraisal Limited and Grant Sherman Appraisal Limited respectively, independent qualified professional valuers and determined that an impairment loss of HK$159,725,686 (2012: HK$Nil) on goodwill associated with the CGU of computer software solution and services and HK$29,929,383 (2012: HK$Nil) on goodwill associated with the CGU of hotel services were identified respectively.

The recoverable amount of the goodwill allocated to computer software solution and services segment was assessed by reference to value-in-use model which based on a five years cash flow projection approved by the directors of the Group with a zero growth rate (2012: zero). A discount rate of approximately 15% (2012: 15%) per annum was applied in the value-in-use model when assessing the recoverability of the goodwill. There are a number of assumptions and estimates involved for the preparation of the cash flow projection. Key assumptions included gross margin and discount rate which are determined by the management of the Group based on past performance and its expectation for market development. Gross margin are budgeted gross margin. The discount rate used is pre-tax and reflect specific risks relating to the industry.

17. GOODWILL *(continued)*

Impairment testing of goodwill *(continued)*

The recoverable amount of the goodwill allocated to hotel services segment was assessed by reference to discounted cash flow model which based on 19.5 years cash flow projection approved by directors of the Group with a discount rate of 15.63% (2012: 16.42%) per annum for valuing the business enterprise of hotel services. The value of goodwill includes the value of assembled workforce. Key assumptions included there are no major changes in the existing political, legal and economic conditions in the Philippines where the hotel services segment carries its business. Other assumption included it has an operating period of the resort until 2032.

18. PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings HK$	Computer equipment HK$	Office equipment HK$	Furniture and fixtures HK$	Machine equipment HK$	Motor vehicles HK$	Yacht HK$	Leasehold improvements HK$	Construction in progress HK$	Total HK$
Cost										
At 1 April 2011	12,109,480	2,906,390	232,561	7,379,877	9,539,562	7,062,769	–	1,220,090	2,126,456	42,577,185
Additions	820,656	383,528	328,195	693,599	4,243,803	38,223	–	4,383,016	50,085	10,941,105
Written off	–	(93,300)	(20,770)	(300,525)	(23,088)	–	–	(665,125)	–	(1,102,808)
Transfer to investment properties	–	–	–	–	–	–	–	–	(1,087,153)	(1,087,153)
Foreign currency realignment	(587,198)	13,069	(142)	52,939	(551,753)	(20,561)	–	–	16,466	(1,077,180)
At 31 March 2012 and 1 April 2012	12,342,938	3,209,687	539,844	7,825,890	13,208,524	7,080,431	–	4,937,981	1,105,854	50,251,149
Additions	–	368,046	18,580	60,340	–	–	30,009,112	80,778	722,702	31,259,558
Disposals	–	–	–	–	–	(374,080)	–	–	–	(374,080)
Disposals of subsidiaries	–	–	–	–	–	(763,177)	–	–	–	(763,177)
Written off	–	(16,863)	–	–	–	–	–	–	–	(16,863)
Foreign currency realignment	(688,786)	85,289	(165)	332,140	(737,091)	96,491	–	–	51,218	(860,904)
At 31 March 2013	**11,654,152**	**3,646,159**	**558,259**	**8,218,370**	**12,471,433**	**6,039,665**	**30,009,112**	**5,018,759**	**1,879,774**	**79,495,683**
Depreciation										
At 1 April 2011	823,502	1,845,874	90,796	2,661,981	2,142,526	2,913,318	–	527,075	–	11,005,072
Charge for the year	506,961	780,634	92,975	1,553,587	2,638,418	1,423,303	–	870,366	–	7,866,244
Written off	–	(86,305)	(7,147)	(117,489)	(1,540)	–	–	(455,146)	–	(667,627)
Foreign currency realignment	(59,057)	7,787	(123)	19,147	(209,513)	(11,865)	–	–	–	(253,624)
At 31 March 2012 and 1 April 2012	1,271,406	2,547,990	176,501	4,117,226	4,569,891	4,324,756	–	942,295	–	17,950,065
Charge for the year	475,582	483,514	104,321	1,635,533	2,544,617	1,338,870	4,244,931	1,001,058	–	11,828,426
Elimination upon disposal	–	–	–	–	–	(210,332)	–	–	–	(210,332)
Elimination upon disposal of subsidiaries	–	–	–	–	–	(624,492)	–	–	–	(624,492)
Written off	–	(14,854)	–	–	–	–	–	–	–	(14,854)
Foreign currency realignment	(80,366)	75,126	(153)	184,791	(305,403)	60,853	–	–	–	(65,152)
At 31 March 2013	**1,666,622**	**3,091,776**	**280,669**	**5,937,550**	**6,809,105**	**4,889,655**	**4,244,931**	**1,943,353**	**–**	**28,863,661**
Carrying amount										
At 31 March 2013	**9,987,530**	**554,383**	**277,590**	**2,280,820**	**5,662,328**	**1,150,010**	**25,764,181**	**3,075,406**	**1,879,774**	**50,632,022**
At 31 March 2012 and 1 April 2012	11,071,532	661,697	363,343	3,708,664	8,638,633	2,755,675	–	3,995,686	1,105,854	32,301,084

At 31 March 2013, property, plant and equipment of the Group with carrying amount of HK$Nil (2012: HK$370,555) were held under finance leases.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

19. INVESTMENT PROPERTIES

The Group

	(Restated) HK$
Fair value	
At 1 April 2011	74,797,984
Additions	188,638
Transfer from property, plant and equipment	1,087,153
Foreign currency realignment	579,183
At 31 March 2012 and 1 April 2012	76,652,958
Foreign currency realignment	3,550,215
Net decrease in fair value recognised in profit or loss	(6,203,173)
At 31 March 2013	**74,000,000**

The fair value of the Group's investment properties at 31 March 2013 has been arrived at on the basis of valuation carried out on that date by Messrs. Grant Sherman Appraisal Limited, independent qualified professional valuers not connected with the Group. Messrs. Grant Sherman Appraisal Limited is members of Institute of Values. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the similar locations and conditions.

	2013 ***HK$***	2012 *HK$*
Properties in the Philippines under:		
Medium-term lease	**74,000,000**	76,652,958

All of the Group's property interests was held under operating leases to earn rentals or for capital appreciation purposes, are measured using the fair value model and are classified and accounted for as investment properties.

20. INVESTMENT IN A SUBSIDIARY

The Company

	2013 ***HK$***	2012 (Restated) *HK$*
Unlisted investment, at cost	**567,874**	567,874
Less: impairment loss	**(567,874)**	(567,874)
Investment in a subsidiary	**–**	–
Amounts due from subsidiaries	**1,168,626,631**	1,162,146,294
Amounts due to subsidiaries	**(258,734,726)**	(110,989,450)

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20. INVESTMENT IN A SUBSIDIARY *(continued)*

The amounts due from subsidiaries are unsecured, interest free and repayable on demand.

The amounts due to subsidiaries are unsecured, interest free and repayable on demand.

The following list contains only the particulars of the subsidiaries of the Company which, in the opinion of the directors, principally affected the results, assets and liabilities of the Group. To give details of other subsidiaries would in the opinion of the directors, result in particulars of excessive length. The class of shares held is ordinary unless otherwise stated.

Name of subsidiary	Place of incorporation	Form of legal entity	Issued and fully paid up ordinary share capital	Proportion of ownership interest and voting power held Directly %	Indirectly %	Principal activities
Galileo Capital Group (BVI) Limited	British Virgin Islands	Limited company	US$10,000	100	–	Investment holding in Hong Kong
Golden Harvest Trading Limited	Hong Kong	Limited company	HK$2	–	100	Provision of administrative services for the Group In Hong Kong
Loyal King Investments Limited	British Virgin Islands	Limited company	US$50,000	–	100	Investment holding
Alliance Computer Services Limited	Hong Kong	Limited company	HK$200,000	–	97	Provision of computer software solution and services
Alliance Computer Systems Limited	Hong Kong	Limited company	HK$20,000	–	60	Provision of computer software solution and services
Superb Kings Limited	British Virgin Islands	Limited company	US$50,000	–	100	Investment holding
Gold Track Coal and Mining Limited	British Virgin Islands	Limited company	US$10,000	–	54	Trading and extraction of minerals and investment holding
Gold Track Mining and Resources Ltd	British Virgin Islands	Limited company	US$21,739	–	54	Trading and extraction of minerals and investment holding

None of the subsidiaries had any debt capital outstanding at the end of the year or at any time during the year.

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For the year ended 31 March 2013

21. INTERESTS IN ASSOCIATES

The Group

	2013	2012
		(Restated)
	HK$	*HK$*
Cost of unlisted investments	**280,000,000**	280,000,000
Share of post-acqusition losses	**(2,454,042)**	(1,458,809)
	277,545,958	278,541,191

Particulars of the Group's associates at 31 March 2013 are as follows:

Name of associate	Place of registration/operation	Percentage of issued share capital/ registered capital held by the Group	Issued share capital/ registered capital	Principal activities
Yuet Sing Group Limited	British Virgin Islands	35%	USD50,000	Investment holding
日盛世紀(湖北)礦業有限公司	People's Republic of China	35%	RMB93,029,984	Mining operation

The summarised financial information in respect of the Group's associates is set out as follows:

	2013	2012
		(Restated)
	HK$	*HK$*
Total assets	**821,814,792**	822,042,387
Total liabilities	**(28,826,341)**	(26,210,413)
Net assets	**792,988,451**	795,831,974
Group's share of net assets	**277,545,958**	278,541,191
Total revenue	**–**	–
Losses for the year	**(2,843,522)**	(4,168,027)
Group's share of losses for the year	**(995,233)**	(1,458,809)

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

22. INVENTORIES

The Group

	2013 *HK$*	2012 *HK$*
Film in progress	–	12,155,663
Work in progress	1,414,593	3,308,265
Finished goods	24,022,023	26,699,214
	25,436,616	42,163,142

All the inventories as at the reporting dates are carried at cost.

23. TRADE RECEIVABLES

The Group

The following is an aged analysis of trade receivables at the reporting date:

	2013 *HK$*	2012 *HK$*
Within 30 days	19,400,409	18,278,065
31–60 days	17,039,733	17,577,050
61–90 days	12,370,523	18,128,257
Over 90 days	30,601,400	86,479,055
	79,412,065	140,462,427

23. TRADE RECEIVABLES *(continued)*

The average credit period on the trade receivables is 30-180 days. The carrying amounts of the trade receivables are denominated in Hong Kong Dollar. The age of trade receivables which are past due but not impaired were as follows:

	2013 HK$	2012 HK$
31–60 days	–	9,260,000
61–90 days	–	4,658,448
Over 90 days	**659,105**	–
	659,105	13,918,448

Trade receivables of HK$659,105 (2012: HK$13,918,448) that were past due for over 90 days (2012: 31–90 days) but not impaired for. These balances related to a number of customers that have good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been significant change in credit quality and the balances are still considered fully recoverability. The Group does not hold any collateral over these balances.

In determining the recoverability of trade receivables, the directors of the Company considered any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. Accordingly, the directors of the Company considered provision for impairment in values be made in respect of trade receivables to their recoverable values and believe that there is no further credit provision required in excess of the allowance for doubtful debts.

The Directors consider that the carrying amounts of the Group's trade receivables at the reporting date were approximate to their fair values.

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	The Group		**The Company**	
	2013 HK$	2012 HK$	**2013 HK$**	2012 HK$
Deposits	**3,285,438**	7,674,405	**–**	–
Prepayments	**1,273,800**	2,810,005	**33,333**	342,388
Other receivables	**13,412,635**	8,018,090	**69,088**	7,700
	17,971,873	18,502,500	**102,421**	350,088

The Directors consider that the carrying amounts of the Group's prepayments, deposits and other receivables at the reporting date were approximate to their fair values.

25. DERIVATIVE FINANCIAL INSTRUMENTS

The Group and the Company

	2013 HK$	2012 HK$
Assets		
Redemption option derivative embedded in convertible notes		
At 1 April	**1,931,478**	11,939,750
Redemption during the year	**(951,964)**	(5,969,875)
Fair value change	**(979,514)**	(4,038,397)
At 31 March	**–**	1,931,478

Pursuant to the agreements in relation to the issuance of the convertible notes (Note 32), redemption options are held by the Company. The Company may at the Call Option Payment Dates, redeem the convertible notes with principal amount of up to the lesser of RMB65,000,000 or the remainder of the outstanding convertible notes.

The redemption option derivatives are carried at fair values at the end of the reporting year. The fair value of the redemption options derivatives embedded in the convertible notes is approximately HK$Nil (2012: HK$1,931,478) and are calculate using the Binomial Tree Pricing Model. Details of the variables and assumptions of the model are as follows:

Date of issue:	8 December 2010
Share price:	HK1.64
Conversion price:	HK2.00
Risk free interest rate:	3.24%
Expected volatility:	68.11%

The last Call Option Payment Dates is on 8 February 2013, no early call redemption from the Company is allowed after this date.

26. ACCRUALS AND OTHER PAYABLES

	The Group		The Company	
	2013	2012	**2013**	2012
	HK$	*HK$*	***HK$***	*HK$*
Accruals	**10,085,495**	6,951,373	**479,269**	485,740
Other payables	**21,052,360**	14,939,679	**–**	–
	31,137,855	21,891,052	**479,269**	485,740

The Directors consider that the carrying amounts of the Group's and the Company's accruals and other payables at the reporting date were approximate to their fair values.

27. TRADE PAYABLES

The Group

The following is an aged analysis of trade payables at the reporting date:

	2013	2012
	HK$	*HK$*
Within 30 days	**5,562,425**	223,900
31–90 days	**191,848**	96,205
91–120 days	**20,972**	163
Over 180 days	**1,935,528**	1,933,214
	7,710,773	2,253,482

The average credit period on trade payables is 90 days (2012: 90 days). The Group has financial risk management policies in place to ensure all payables are settled within the credit timetable.

The Directors consider that the carrying amounts of the Group's trade payables at the reporting date were approximate to their fair values.

28. AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

The Group

This amount due is unsecured, non-interest bearing and has no fixed repayment terms. In the opinion of the directors, no part of the amount due will be repaid within twelve months as at 31 March 2013. Accordingly, the amount due is classified as non-current liability as at 31 March 2013.

29. OBLIGATIONS UNDER FINANCE LEASES

The Group

	Minimum lease payment		Present value of minimum lease payment	
	2013	2012	**2013**	2012
	HK$	*HK$*	***HK$***	*HK$*
Amount payable under finance lease				
Within one year	–	22,395	–	22,395
In the second to fifth year inclusive	–	–	–	–
	–	22,395	–	22,395
Less: Future finance charges	–	–	–	–
Present value of lease obligations	–	22,395	–	22,395
Less: Amount due within one year shown under current liabilities			–	22,395
Amount due after one year			–	–

It is the Group's policy to lease certain of its fixed assets under finance leases. The lease term is three years. For the year ended 31 March 2013, the average effective interest rate was nil% per annum (2012: 12.16% per annum). Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent lease payments.

30. PROMISSORY NOTE

The Group and the Company

	2013	2012
	HK$	*HK$*
Current	–	140,000,000
Non-current	**140,000,000**	–
	140,000,000	140,000,000

On 31 March 2011, the Company issued a promissory note in aggregate principal amount of HK$140,000,000 as part of consideration for the acquisition of 日盛世紀(湖北)礦業有限公司. The promissory note was unsecured, interest free and originally mature on 30 March 2013. The Company renewed the promissory note with the note-holder to extend the maturity date of the promissory note to 31 March 2015 subsequently in 2013.

30. PROMISSORY NOTE *(continued)*

The promissory note may be assigned or transferred (in integral multiple of HK$500,000) to any third party (whether such party is a connected person to the Company or not) subject to the Listing Rules and the applicable laws. The Company may repay all or part of the principle amount at any time prior to the maturity date (i.e. 31 March 2015) by giving the note-holder not less than five business days' prior written notice specifying the amount and date of repayment provided that the amount shall be at least HK$500,000. Otherwise, the payment of principal and last interest payment of promissory note shall be made in full upon the maturity date.

The Directors consider that the carrying amount of promissory note approximates to its fair value.

31. DEFERRED TAXATION

The Group

The following are the major deferred tax liabilities recognised by the Group and movements thereon during the current and prior reporting years:

	HK$
Deferred tax liabilities in respect of intangible assets, investment properties and others	
At 1 April 2011	269,409,638
Reversal for the year	(3,892,645)
At 31 March 2012 and 1 April 2012	265,516,993
Reversal for the year	(139,360,434)
At 31 March 2013	126,156,559

32. CONVERTIBLE NOTES

The Group and the Company

On 8 December 2010, the Company issued convertible notes with a principal amount of RMB130,000,000, which is interest bearing at 8% per annum, payable annually in arrears. The convertible notes due on 7 December 2013 is convertible into fully paid ordinary shares with a par value of HK$0.04 each of the Company at an initial conversion price of HK$2 per share, subject to adjustment. The effective interest rate is 8.54%. During the year ended 31 March 2013, part of the convertible notes with a principal amount of RMB32,000,000 (2012: RMB65,000,000) was redeemed.

The convertible notes contain liability and equity components and redemption option. The equity component is presented in equity heading "convertible notes reserve" and the redemption option is presented in current assets heading "derivative financial instruments" (Note 25) and was measured at fair value with changes in fair value recognised in profit and loss.

The fair value of the liability component of the convertible notes at 31 March 2013 was determined based on the present value of the estimated future cash outflows discounted at the prevailing market rate for and equivalent non-convertible loan at the end of the reporting period.

The convertible notes issued have been spilt as to the liability and equity components and redemption option, as follows:

	Equity component	Liability component
At 31 March 2011 and 1 April 2011	18,366,388	158,844,312
Early redemption of convertible notes (note a)	(4,326,744)	(78,996,949)
Interest expenses paid	–	(12,138,983)
Interest expenses charged	–	7,827,757
Foreign currency realignment	–	5,814,165
Gain on early redemption of convertible notes (note a)	–	(2,652)
At 31 March 2012 and 1 April 2012	14,039,644	81,347,650
Early redemption of convertible notes (note b)	(4,345,260)	(39,210,432)
Interest expenses paid	–	(3,201,900)
Interest expenses charged	–	5,713,406
Change in fair value	–	109,017
Foreign currency realignment	–	365,728
At 31 March 2013	9,694,384	45,123,469

32. CONVERTIBLE NOTES *(continued)*

The Group and the Company *(continued)*

Notes:

(a) On 31 October 2011, part of convertible notes was early redeemed by the Company. A net loss of HK$5,967,223 was derived from the gain on early redemption of liability component of convertible notes of approximately HK$2,652 and the loss on derecognition of derivative financial instruments of approximately HK$5,969,875.

The gain on early redemption of liability component of convertible notes is derived from the difference between the carrying amount of liability component of approximately HK$78,996,949 and the fair value of liability component of approximately HK$78,994,297.

(b) On 14 December 2012, part of convertible notes was early redeemed by the Company. A loss of HK$951,964 was derived from derecognition of derivative financial instruments (Note 25).

33. SHARE CAPITAL

	2013 ***HK$***	2012 (Restated) *HK$*
Ordinary shares of HK$0.04 each		
Authorised: 3,000,000,000 ordinary shares of HK$0.04 each	**120,000,000**	120,000,000
Issued and fully paid: 927,600,000 ordinary shares of HK$0.04 each	**37,104,000**	37,104,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

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34. RESERVES

The Company

	Share premium HK$	Contributed surplus HK$	Capital redemption reserve HK$	Share options reserve HK$	Convertible notes reserve HK$	Translation reserve HK$	Retained profit/ Accumulated losses HK$	Total HK$
As at 1 April 2011	747,247,169	367,874	254,600	38,254,919	18,366,388	(2,449,800)	27,484,846	829,525,996
Equity component of convertible notes	–	–	–	–	(4,326,744)	–	–	(4,326,744)
Exchange reserve	–	–	–	–	–	(5,835,979)	–	(5,835,979)
Dividend paid	–	–	–	–			(13,914,000)	(13,914,000)
Loss for the year	–	–	–	–	–	–	(9,822,356)	(9,822,356)
At 31 March 2012 and 1 April 2012	747,247,169	367,874	254,600	38,254,919	14,039,644	(8,285,779)	3,748,490	795,626,917
Equity component of convertible notes	–	–	–	–	(4,345,260)	–	–	(4,345,260)
Exchange reserve	–	–	–	–	–	–	–	–
Loss for the year	–	–	–	–	–	–	(8,082,290)	(8,082,290)
At 31 March 2013	**747,247,169**	**367,874**	**254,600**	**38,254,919**	**9,694,384**	**(8,285,779)**	**(4,333,800)**	**783,199,367**

35. SHARE OPTION SCHEME

The Company operates share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Option Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, any person or entity providing research, development or other technological support to the Group, and any other person or entity determined by the directors as having contributed or may contribute to the development and growth of the Group. The Company has two share option schemes, one was adopted on 29 November 2000 and expired in 2010 and another one was adopted on 5 December 2006 (the "New Scheme").

New Scheme

On 5 December 2006, the Company adopted a new share option scheme. The New Scheme became valid and effective for a period of ten years commencing from the adoption of the New Scheme, after which period no further options will be granted but the provisions of the New Scheme shall remain in full force and effect in all other respects.

The participants of the New Scheme to whom options may be granted by the Board shall include any director, employee, consultant, adviser, agent, contractor, customer or supplier of any member of the Group whom the Board in its sole discretion considers eligible for the New Scheme on the basis of his/her contribution to the development and growth of the Group.

35. SHARE OPTION SCHEME *(continued)*

New Scheme *(continued)*

No participant shall be granted an option if the total number of Shares issued and to be issued upon exercise of the options granted and to be granted (including options exercised, cancelled and outstanding) in any 12 month period up to and including the date of grant to such participant would exceed 1% of the shares for the time being in issue unless the proposed grant has been approved by the shareholders in general meeting with the proposed grantee and his associates abstaining from voting. The number and terms of options to be granted to each grantee must be fixed before the shareholders' approval and the date of meeting of the Board for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

The total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and all other share option schemes of the Company (the "Scheme Mandate Limit") shall not exceed 10% of the total number of Shares in issue unless the Company obtains a fresh approval from its shareholders pursuant to the approval of the shareholders in general meetings. At 31 March 2013, the number of shares issuable under share options granted under the Share Option Plan was 231,000,000, which represented approximately 25% of the Company's shares in issue as at that date. The limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other schemes shall not exceed 30% of the shares of the Company from time to time.

The offer of a grant of share options may be accepted within 14 days after the date on which the offer becomes or is declared unconditional. The exercise period of the share options granted is determinable by the board of directors, and commences on any date after the date of grant and ends on a date which is not later than ten years from the date of offer of the share options or the expiry date of the New Scheme, if earlier.

The exercise price of share options is determined by the board of directors, but may not be less than the higher of (i) the closing price of the Company's shares on the GEM of the Stock Exchange on the date of grant of the option; (ii) the average of the closing prices of the Company's shares on the GEM of the Stock Exchange for the five trading days immediately preceding the date of grant of the option; and (iii) the nominal value of the shares of the Company.

The Company will comply with the disclosure requirements under Chapter 23 of the GEM Listing Rules, including without limitation disclosures in the annual and interim reports of the Company including details of the options granted to the following persons: (i) each of the connected person; (ii) each participant with options granted in excess of the limit; (iii) aggregate figures for the employees; (iv) aggregate figures for supplier of goods or services; and (v) all other participants as an aggregate whole.

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35. SHARE OPTION SCHEME *(continued)*

New Scheme *(continued)*

Category participants	Date of grant	Exercise price HK$	Exercise period	Number of share options: Outstanding at 1 April 2011	Grant during the year	Exercise during the year	Lapsed during the year	Outstanding at 31 March 2012	Grant during the year	Exercise during the year	Lapsed during the year	Outstanding at 31 March 2013
Mr. Chau Cheok Wa	25.11.2010	1.540	25.11.2010-24.11.2020	910,000	–	–	–	910,000	–	–	–	910,000
				910,000	–	–	–	910,000	–	–	–	910,000
Mr. Lee Chi Shing, Caesar	19.08.2008	1.140	19.08.2008-18.08.2018	8,380,000	–	–	–	8,380,000	–	–	–	8,380,000
	09.02.2010	0.900	09.02.2010-08.02.2020	8,300,000	–	–	–	8,300,000	–	–	–	8,300,000
	25.11.2010	1.540	25.11.2010-24.11.2020	9,150,000	–	–	–	9,150,000	–	–	–	9,150,000
				25,830,000	–	–	–	25,830,000	–	–	–	25,830,000
Ms. Cheng Mei Ching	09.02.2010	0.900	09.02.2010-08.02.2020	8,300,000	–	–	–	8,300,000	–	–	–	8,300,000
	25.11.2010	1.540	25.11.2010-24.11.2020	9,150,000	–	–	–	9,150,000	–	–	–	9,150,000
				17,450,000	–	–	–	17,450,000	–	–	–	17,450,000
Consultants in aggregate	13.08.2007	0.760	13.08.2007-12.08.2017	17,450,000	–	–	–	17,450,000	–	–	–	17,450,000
	17.08.2007	0.720	17.08.2007-16.08.2017	9,600,000	–	–	–	9,600,000	–	–	–	9,600,000
	21.08.2007	0.690	21.08.2007-20.08.2017	9,600,000	–	–	–	9,600,000	–	–	–	9,600,000
	19.08.2008	1.140	19.08.2008-18.08.2018	53,860,000	–	–	–	53,860,000	–	–	–	53,860,000
	27.08.2008	1.160	27.08.2008-26.08.2018	4,800,000	–	–	–	4,800,000	–	–	–	4,800,000
	16.12.2009	0.740	16.12.2009-15.12.2019	20,900,000	–	–	–	20,900,000	–	–	–	20,900,000
	25.11.2010	1.540	25.11.2010-24.11.2020	19,210,000	–	–	–	19,210,000	–	–	–	19,210,000
	07.12.2010	1.740	07.12.2010-06.07.2020	9,150,000	–	–	–	9,150,000	–	–	–	9,150,000
				144,570,000	–	–	–	144,570,000	–	–	–	144,570,000
Other employees in aggregate	19.08.2008	1.140	19.08.2008-18.08.2018	4,190,000	–	–	–	4,190,000	–	–	–	4,190,000
	16.12.2009	0.740	16.12.2009-15.12.2019	28,900,000	–	–	–	28,900,000	–	–	–	28,900,000
	25.11.2010	1.540	25.11.2010-24.11.2020	9,150,000	–	–	–	9,150,000	–	–	–	9,150,000
				42,240,000	–	–	–	42,240,000	–	–	–	42,240,000
				231,000,000	–	–	–	231,000,000	–	–	–	231,000,000

35. SHARE OPTION SCHEME *(continued)*

New Scheme *(continued)*

Notes:

(1) The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

(2) The exercise price of the share option is subject to adjustment in the case of a capitalization issue, rights issue, sub-division or consolidation of the Company's shares or reduction of the Company's share capital.

(3) These fair values of the share options granted for the years ended were calculated using the Black-Scholes pricing model. The inputs into the model were at the date of grant of options as follows:

	The Group								
Date of grant	13 August 2007	17 August 2007	21 August 2007	19 August 2008	27 August 2008	16 December 2009	9 February 2010	25 November 2010	7 December 2010
Number of share option	19,200,000	14,400,000	14,500,000	74,200,000	9,600,000	58,100,000	24,900,000	56,720,000	9,150,000
Share price at grant date (HK$)	0.38	0.28	0.34	1.11	1.16	0.74	0.89	1.54	1.74
Weighted average exercise price (HK$)	0.38	0.36	0.35	1.14	1.16	0.74	0.90	1.54	1.74
Expected volatility (expressed as weighted average volatility)	61.97%	62.15%	62.15%	99.81%	96.08%	76.61%	75.08%	60.28%	59.75%
No. of years for option life (expressed as weighted average life)	10	10	10	10	10	10	10	10	10
Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate	3.96%	3.97%	3.88%	1.00%	1.15%	0.08%	0.18%	0.27%	0.35%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 1 year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

No share options were granted for the year ended 31 March 2013 (2012: Nil). At 31 March 2013, the Company had 231,000,000 share options (2012: 231,000,000) outstanding under the Option Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 231,000,000 (2012: 231,000,000) additional ordinary shares of HK$0.04 each (2012: HK$0.04 each) of the Company and additional share capital of HK$9,240,000 (2012: HK$9,240,000) and cash proceeds to the Company of HK$247,739,000 (2012: HK$247,739,000) (before share issue expenses).

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

36. DISPOSAL OF A SUBSIDIARY

On 3 October 2012, the Group disposal of its subsidiary, Galileo Funeral Services Limited. The net assets of Galileo Funeral Services Limited at the date of disposal were as follow:

	HK$
Analysis of assets and liabilities over which control was lost:	
Property, plant and equipment	138,685
Net assets disposal of	138,685
Gain on disposal of subsidiary	
Cash consideration received	200,000
Net assets disposal of	(138,685)
Gain on disposal	61,315
Net cash inflow arising on disposal	
Cash consideration	200,000

37. RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme (the "Scheme") for all its qualifying employees. The assets of the Scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes the lower of 5% of the relevant payroll costs or HK$1,250 for each of its employees to the Scheme per month, which contribution is matched by employees.

38. OPERATING LEASE ARRANGEMENTS

The Group as lessee

At the reporting date, the Group had commitments for future minimum lease payments in respect of rented premises under non-cancellable operating leases which fall due as follows:

	2013 ***HK$***	2012 *HK$*
Within one year	**10,922,287**	7,819,340
In the second to fifth year inclusive	**21,086,332**	13,087,170
After fifth year	**84,053,580**	44,153,715
	116,062,199	65,060,225

Leases and rentals are negotiated for an average term of three years.

39. RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions and balances with related parties during the year.

(a) The balance with a non-controlling shareholder of a subsidiary is disclosed in note 28.

(b) Key management personnel compensation

The key management personnel of the Group comprises all directors, details of their emoluments were disclosed in note 13a.

(c) Balances with related parties

	2013 ***HK$***	2012 (Restated) *HK$*
Included in Prepayments, deposits and other receivables Amount due from a related party which is controlled by Ms. Yeung So Lai, Ms. Cheng Mei Ching, Mr. Lee Chi Shing, Caesar and Mr. Chau Cheok Wa	**1,203,287**	–
Included in Prepayments, deposits and other receivables Amount due from a related party which is controlled by Ms. Yeung So Lai and Mr. Lee Chi Shing, Caesar	**13,700**	13,700

(d) Transactions with related parties

	2013 ***HK$***	2012 *HK$*
Included in Administrative expenses Advertising expenses paid to a related company which is beneficially owned and controlled by Mr. Cheng Ting Kong	**1,000,000**	–

The transactions with related parties were entered into in the ordinary course of business between the Group and its related parties on terms as mutually agreed.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2013

40. EVENTS AFTER REPORTING PERIOD

i) Pursuant to the announcement dated 12 April 2013, the Group announced that a lease agreement (the "**Lease Agreement**") entered into between a subsidiary of the Company as lessor and an independent third party as lessee in relation to the lease of approximately 245 hotel rooms of a hotel resort complex located in the Philippines owned and operated by the Group expired in April 2013 and the Lease Agreement was not renewed. The Group has explored new opportunities to lease its hotel rooms and facilities and in mid of March 2013, the Group as lessor entered into a new rental agreement with an independent third party as lessee for an initial term of not more than 169 days in relation to the lease of rooms and facilities of a leisure resort located in the Philippines owned and operated by the Group.

ii) Pursuant to the announcement dated 22 May 2013, the Group has been actively seeking opportunities to diversify the business scope and to broaden the revenue base of the Group. Having considered the existing operations and resources of the Group, the Board considers that it may be feasible for the Group to engage in the trading of racehorses alongside its existing principal businesses. In pursuance of this new business venture, racehorses will be sourced by the Group from the Southern Hemisphere, mainly Australia, which would then be raised and traded when they reached a certain age. Representatives of the Group will attend several auctions in Australia for potential acquisition(s) (the "**Potential Acquisition**") of one or more racehorse(s).

    As at the date of this report, no memorandum of understanding or binding agreement has been entered into by the Group in relation to the Potential Acquisition.

41. COMPARATIVE FIGURES

Certain prior year comparative amounts have been reclassified and restated to conform with the current year's presentation.

42. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 14 June 2013.

FIVE YEAR FINANCIAL SUMMARY

Summary of the results, assets and liabilities of the Group is as follow:

	For the year ended 31 March				
	2013	2012	2011	2010	2009
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
Results					
Turnover	**239,725,206**	234,092,979	201,294,347	181,409,919	181,843,565
(Loss)/profit before taxation	**(663,362,898)**	92,384,370	52,464,373	264,000,848	51,438,135
Income tax credit/(expense)	**128,516,887**	(11,152,410)	52,609,083	(9,814,383)	(16,482,507)
(Loss)/profit for the year from continuing operations	**(534,846,011)**	81,231,960	105,073,456	254,186,465	34,955,628
(Loss)/profit for the year from discontinued operations	**–**	–	–	–	(174,397)
(Loss)/profit for the year	**(534,846,011)**	81,231,960	105,073,456	254,186,465	34,781,231

	At 31 March				
	2013	2012	2011	2010	2009
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
Assets and liabilities					
Total assets	**1,460,784,498**	2,160,385,141	2,184,804,234	1,810,255,076	740,493,286
Total liabilities	**(380,286,980)**	(540,479,803)	(619,223,362)	(389,341,577)	(20,001,221)
Net assets	**1,080,497,518**	1,619,905,338	1,565,580,872	1,420,913,499	720,492,065