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ABC COMMUNICATIONS (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 30)

FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

The Directors of ABC Communications (Holdings) Limited (the "Company") announce the consolidated statement of comprehensive income and consolidated statement of financial position of the Company and its subsidiaries ("the Group") for the year ended 31 March 2013 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013

	Notes	2013 HK\$	2012 HK\$
Turnover	3	68,747,913	115,025,514
Cost of sales		(52,422,855)	(86,631,716)
Gross profit		16,325,058	28,393,798
Other income	12	1,440,494	419,245
Gain on bargain purchase		–	28,283,083
Decrease in fair value of held for trading investments		(2,210,565)	(3,723,300)
Realised loss on held for trading investments		(1,899,070)	–
Fair value losses on derivative financial assets		(15,000)	(256,000)
Loss on redemption of promissory notes		–	(266,000)
Selling and distribution costs		(1,160,408)	(1,116,091)
General and administrative expenses		(35,247,031)	(30,343,884)
Finance costs		(799,471)	(2,229,844)
(Loss) profit before tax	13	(23,565,993)	19,161,007
Income tax expense	14	(6,960)	(2,139,436)
(Loss) profit for the year		(23,572,953)	17,021,571
Other comprehensive income			
Exchange differences arising on translation and other comprehensive income for the year		4,258,565	9,711,416
Total comprehensive (expense) income for the year		(19,314,388)	26,732,987
(Loss) profit for the year attributable to:			
Owners of the Company		(22,258,263)	12,554,422
Non-controlling interests		(1,314,690)	4,467,149
		(23,572,953)	17,021,571
Total comprehensive (expense) income for the year attributable to:			
Owners of the Company		(19,173,974)	18,802,142
Non-controlling interests		(140,414)	7,930,845
		(19,314,388)	26,732,987
(Losses) earnings per share			
Basic and diluted	15	(2.12 cents)	1.98 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2013

	Notes	2013 HK\$	2012 HK\$
Non-current assets			
Property, plant and equipment		68,052,797	54,796,160
Prepaid lease payments		1,626,953	1,714,596
Intangible assets		318,573,940	314,753,126
Prepayments for exploration and evaluation activities		12,791,819	11,650,115
		401,045,509	382,913,997
Current assets			
Trade receivables	4	6,375,134	20,745,040
Other receivables, deposits and prepayments		4,150,031	4,676,855
Loan receivables		41,649,280	–
Deposit paid for acquisition of subsidiaries	5	34,800,000	30,000,000
Derivative financial assets	8	–	15,000
Held for trading investment		1,772,435	8,274,000
Bank balances and cash		31,395,321	31,322,480
		120,142,201	95,033,375
Current liabilities			
Trade and other payables	6	16,906,693	19,944,385
Advance subscriptions and licence fees received		2,271,841	2,559,465
Amount due to a substantial shareholder	7	754,385	20,182,385
Amounts due to directors	7	1,834,821	9,790,330
Amount due to non-controlling interest of a subsidiary	7	4,375,651	4,499,181
Convertible bonds	8	–	21,692,000
Promissory notes	9	–	15,404,065
Tax payable		2,184,836	2,158,488
		28,328,227	96,230,299
Net current assets (liabilities)		91,813,974	(1,196,924)
Total assets less current liabilities		492,859,483	381,717,073
Non-current liabilities			
Provision for reinstatement costs		787,689	778,239
Deferred tax liabilities	10	76,302,451	75,387,332
		77,090,140	76,165,571
Net assets		415,769,343	305,551,502
Capital and reserves			
Share capital	11	11,677,972	6,406,432
Reserves		281,164,707	176,077,992
Equity attributable to owners of the Company		292,842,679	182,484,424
Non-controlling interests		122,926,664	123,067,078
Total equity		415,769,343	305,551,502

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2013

1. GENERAL INFORMATION

ABC Communications (Holdings) Limited (the “Company”) is an investment holding company. The Company’s subsidiaries (together with the Company collectively referred to as the “Group”) are principally engaged in providing financial quotation services, wireless applications development, securities trading system licensing and mining operations.

The Company is incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The address of its principal place of business at the date of these financial statements is Room 2709-10, 27/F, China Resources Building, No.26 Harbour Road, Wanchai, Hong Kong.

As at 31 March 2013, the Company did not have a parent.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

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

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

Amendments to HKFRS 1	Serve Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfer of Financial Assets
Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets

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

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

Amendments to HKFRSs	Annual Improvement 2009-2011 Cycle ²
Amendments to HKFRS 1	Government Loans ²
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities ²
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁴
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance ²
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities ³
HKFRS 9	Financial Instruments ⁴
HKFRS 10	Consolidated Financial Statements ²
HKFRS 11	Joint Arrangement ²
HKFRS 12	Disclosure of Interests in Other Entities ²
HKFRS 13	Fair Value Measurement ²
HKAS 19 (as revised in 2011)	Employee Benefits ²

HKAS 27 (as revised in 2011)	Separate Financial Statements ²
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ²
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income ¹
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ³
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets ³
HK(IFRIC) (International Financial Reporting Interpretation Committee) ("IFRIC") – Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine ²
HK(IFRIC) – Interpretation 21	Levies ³

¹ Effective for annual periods beginning on or after 1 July 2012.

² Effective for annual periods beginning on or after 1 January 2013.

³ Effective for annual periods beginning on or after 1 January 2014.

⁴ Effective for annual periods beginning on or after 1 January 2015.

Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012

The Annual Improvements to HKFRSs 2009 – 2011 Cycle include a number of amendments to various HKFRSs. The amendments are effective for annual periods beginning on or after 1 January 2013. Amendments to HKFRSs include the amendments to HKAS 1 Presentation of Financial Statements, the amendments to HKAS 16 Property, Plant and Equipment and the amendments to HKAS 32 Financial Instruments: Presentation.

The amendments to HKAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The directors do not anticipate that the application of the amendments will have a material effect on the consolidated and the Company's financial statements.

The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 – Income Taxes. The directors anticipate that the amendments to HKAS 32 will have no effect on the consolidated and the Company's financial statements as the Group and the Company has already adopted this treatment.

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

The directors of the Company anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

HKFRS 9 Financial Instruments

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

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

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

The directors of the Company anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets and financial liabilities, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

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

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

Key requirements of these five standards are described below.

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

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

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

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

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

The directors of the Company anticipate that the application of these five standards will not have significant impact on amounts reported in the consolidated financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities

The amendments to HKFRS 10 introduce an exception to consolidating subsidiaries for an investment entity, except where the subsidiaries provide services that relate to the investment entity's investment activities. Under the amendments to HKFRS 10, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss.

To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is required to:

- obtain funds from one or more investors for the purpose of providing them with professional investment management services;
- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments to HKFRS 12 and HKAS 27 have been made to introduce new disclosure requirements for investment entities.

The amendments to HKFRS 10, HKFRS 12 and HKAS 27 are effective for annual periods beginning on or after 1 January 2014, with early application permitted. The directors of the Company anticipate that the application of the amendments will have no effect on the Group.

HKFRS 13 Fair Value Measurement

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

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors of the Company anticipate that the application of the new standard may affect certain amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

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

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in future accounting periods.

HK(IFRIC) – Int 20 Stripping Costs in the Production Phase of a Surface Mine

HK(IFRIC) – Int 20 Stripping Costs in the Production Phase of a Surface Mine applies to waste removal costs that are incurred in surface mining activity during the production phase of the mine ("production stripping costs"). Under the interpretation, the costs from this waste removal activity ("stripping") which provide improved access to ore is recognised as a non-current asset ("stripping activity asset") when certain criteria are met, whereas the costs of normal on-going operational stripping activities are accounted for in accordance with HKAS 2 Inventories. The stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset and classified as tangible or intangible according to the nature of the existing asset of which it forms part.

HK(IFRIC) – Int 20 is effective for annual periods beginning on or after 1 January 2013. Specific transitional provisions are provided to entities that apply HK(IFRIC) – Int 20 for the first time. However, HK(IFRIC) – Int 20 must be applied to production stripping costs incurred on or after the beginning of the earliest period presented. The directors of the Company anticipate that the application of HK(IFRIC) – Int 20 will have effect on the recognition of stripping activity assets in the future. It is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

Other than disclosed above, the directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. TURNOVER AND SEGMENT INFORMATION

The Group's operating segments are determined based on the information reported to the Board of Directors, being the chief operating decision maker, for making strategic decisions and allocating resources.

The segments are managed separately as each business offers different products/service which requires different products/service information to formulate different business strategies. Specifically, the Group's reportable and operating segments under HKFRS 8 are financial quotation and securities trading system licensing and mining operations as follows:

- (i) Financial quotation and securities trading system licensing segment engages in the provision of financial quotation services, wireless applications development and licensing of securities trading system.
- (ii) Mining operations segment engages in the extraction, exploration and sale of mineral products.

Segment revenues and results

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

For the year ended 31 March 2013

	Financial quotation and securities trading system licensing HK\$	Mining operations HK\$	Total HK\$
Turnover	66,181,538	2,566,375	68,747,913
Segment loss	(138,279)	(2,533,951)	(2,672,230)
Unallocated corporate income and gains			1,155,614
Unallocated corporate expenses and losses			(21,249,906)
Finance costs			(799,471)
Loss before tax			(23,565,993)

For the year ended 31 March 2012

	Financial quotation and securities trading system licensing HK\$	Mining operations HK\$	Total HK\$
Turnover	82,425,195	32,600,319	115,025,514
Contribution to segment profit	2,818,568	8,413,286	11,231,854
Gain on bargain purchase	–	28,283,083	28,283,083
Segment profit	2,818,568	36,696,369	39,514,937
Unallocated corporate income and gains			330,480
Unallocated corporate expenses and losses			(18,454,566)
Finance costs			(2,229,844)
Profit before tax			19,161,007

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment loss (2012: profit) represents the loss from (2012: profit earned by) each segment without allocation of directors' salaries, certain interest income, certain other income, certain general and administrative expenses and finance costs. This is the measure reported to the Board of Directors for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

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

	2013 HK\$	2012 HK\$
Segment assets		
Financial quotation and securities trading system licensing	35,381,260	37,865,840
Mining operations	401,839,872	396,806,234
Unallocated corporate assets	83,966,578	43,275,298
Consolidated total assets	521,187,710	477,947,372
	2013 HK\$	2012 HK\$
Segment liabilities		
Financial quotation and securities trading system licensing	10,256,029	12,712,605
Mining operations	91,609,565	88,954,715
Unallocated corporate liabilities	3,552,773	70,728,550
Consolidated total liabilities	105,418,367	172,395,870

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

- all assets are allocated to operating segments other than certain other receivables and prepayments, deposit paid for acquisition of subsidiaries, derivative financial assets, held for trading investment and certain bank balances and cash which are managed on a group basis.
- all liabilities are allocated to operating segments other than certain other payables, amounts due to a substantial shareholder and directors, derivative financial liabilities, convertible bonds and promissory notes which are managed on a group basis.

Other segment information

	Financial quotation and securities trading system licensing HK\$	Mining operations HK\$	Unallocated HK\$	Total HK\$
2013				
Amounts included in the measure of segment results or segment assets:				
Depreciation of property, plant and equipment	394,938	2,128,473	377,364	2,900,775
Amortisation of prepaid lease payment	–	107,107	–	107,107
Additions to non-current assets	255,133	16,054,880	13,124	16,323,137
Interest income	(284,880)	–	(1,006,974)	(1,291,854)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment results or segment assets:				
Fair value losses on derivative financial assets	–	–	15,000	15,000
Decrease in fair value of held for trading investments	–	–	2,210,565	2,210,565
Realised loss on held for trading investments	–	–	1,899,070	1,899,070
Finance costs	–	–	799,471	799,471
Income tax expense	–	6,960	–	6,960
2012				
Amounts included in the measure of segment results or segment assets:				
Depreciation of property, plant and equipment	594,736	1,184,150	334,753	2,113,639
Gain on bargain purchase	–	(28,283,083)	–	(28,283,083)
Additions to non-current assets*	504,108	371,631,879	1,227,370	373,363,357
Interest income	(88,765)	–	(856)	(89,621)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment results or segment assets:				
Fair value losses on derivative financial assets	–	–	256,000	256,000
Loss on redemption of promissory notes	–	–	266,000	266,000
Decrease in fair value of held for trading investments	–	–	3,723,300	3,723,300
Finance costs	–	–	2,229,844	2,229,844
Income tax expense	–	2,139,436	–	2,139,436

* Including additions through acquisition of subsidiaries of HK\$317,899,396.

Revenue from major product and services

The following is an analysis of the Group's revenue from its major products and services:

	2013	2012
	HK\$	HK\$
Revenue from financial quotation and securities trading system		
licensing services	65,620,620	81,906,106
Revenue from wireless applications	560,918	519,089
Revenue from mining operations	2,566,375	32,600,319
	68,747,913	115,025,514

Geographical information

The Group's operations are located in Hong Kong and the People's Republic of China (the "PRC").

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

The following tables present the Group's revenue based on the location of operations and information about its non-current assets by geographical location.

	Hong Kong		PRC (excluding Hong Kong)		Total	
	2013	2012	2013	2012	2013	2012
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
For the year ended 31 March						
Segment revenue	66,181,538	82,425,195	2,566,375	32,600,319	68,747,913	115,025,514
As at 31 March						
Non-current assets	1,592,576	1,946,421	399,452,933	380,967,576	401,045,509	382,913,997

4. TRADE RECEIVABLES

	2013	2012
	HK\$	HK\$
Trade receivables	6,375,134	20,745,040

The group did not hold any collateral over its trade receivables.

The Group's trade receivables from the financial quotation and securities trading and system licensing segment are due upon the presentation of invoices. The Group normally allowed a credit period of 180 days for its trade receivable from the mining operations.

The following is an aging analysis of the Group's trade receivables presented based on the invoice date, which approximated the respective revenue recognition dates, at the end of reporting period.

	2013	2012
	HK\$	HK\$
0 – 3 months	4,760,656	20,697,326
4 – 6 months	1,614,478	37,814
Over 6 months	–	9,900
	6,375,134	20,745,040

At the end of reporting period, included in the Group's trade receivable balance were with debtors with aggregate carrying amount approximately HK\$4,799,756 (2012: HK\$5,705,510) which were past due as at the reporting date.

The aging analysis of trade receivables that were past due but not impaired is as follows:

	2013	2012
	HK\$	HK\$
0 – 3 months	4,760,656	5,657,796
4 – 6 months	39,100	37,814
Over 6 months	–	9,900
	4,799,756	5,705,510

Trade receivables that were neither pass due nor impaired were due to a wide range of customers for whom there was no recent history of default.

5. DEPOSIT PAID FOR ACQUISITION OF SUBSIDIARIES

- (a) On 17 November 2011, the Group entered into a conditional sale and purchase agreement with an independent third party for the acquisition of a settlement services business in the PRC for an aggregate consideration of HK\$200,000,000 of which HK\$100,000,000, HK\$50,000,000 and HK\$50,000,000 will be settled by cash, two-year convertible bonds and two-year promissory notes respectively. A refundable deposit (the "Deposit") of HK\$30,000,000 was paid during the year ended 31 March 2012 in such respect.

On 1 May 2013, the Group entered into a deed of termination with that independent third party to terminate the acquisition as the acquisition has been delayed significantly without any parties' fault, and agreed that it is no longer in the parties' interest to carry on with the acquisition in light of the prevailing market conditions. Further details of the termination of the acquisition were set out in the Company's announcements dated 1 May 2013. The deposit was subsequently refunded in full.

- (b) On 28 March 2013, the Group acquired a motor vehicle and a vehicle license through the acquisition of the entire interest in Take Industry Investment Limited at a consideration of HK\$4,800,000. A deposit of HK\$4,800,000 was paid during the year ended 31 March 2013 in such respect.

6. TRADE AND OTHER PAYABLES

	2013 HK\$	2012 HK\$
Trade payables (notes a and b)	6,976,124	9,268,439
Receipt in advance	4,747,879	–
Other payables and accrued charges	5,182,690	10,675,946
	16,906,693	19,944,385

Notes:

- (a) The ageing of trade payables were within 3 months based on the due date at the end of the reporting period.
- (b) An average credit period of 45 to 180 days is granted by the service providers. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

7. AMOUNTS DUE TO A SUBSTANTIAL SHAREHOLDER/DIRECTORS/NON-CONTROLLING INTEREST OF A SUBSIDIARY

The amounts are unsecured, interest-free and repayable on demand.

8. CONVERTIBLE BONDS

On 9 May 2011, the Company issued convertible bonds (the "2011 CBs") in the principal amount of HK\$21,000,000 and with maturity date on 8 May 2012, as part of the consideration for the acquisition of 60% equity interest in Jun Qiao Limited. The 2011 CBs bears interest of 4% per annum and is unsecured.

The effective interest rate of the liability component is 5.89%.

The principal terms of the 2011 CBs are as follow:

- Conversion rights are exercisable at any time during the period commencing from the date of issue of the 2011 CBs up to (but excluding) the maturity date.
- The holders of the 2011 CBs are entitled to convert the 2011 CBs into ordinary shares of the Company at an initial conversion price of HK\$0.7 per ordinary share.

- If any of the 2011 CBs has not been converted, it will be redeemed on the maturity date at par.
- At any time up to the maturity date, the Company may by notice redeem whole or part of the outstanding 2011 CBs at an amount equal to 104% of the principal amount of such 2011 CBs.

The 2011 CBs contains three components: liability component, derivative component and equity component.

The Company's early redemption option embedded in the 2011 CBs was presented in the consolidated statement of financial position as "Derivative financial asset" at 31 March 2012 and was measured at fair value with changes in fair value recognised in profit or loss.

No 2011 CBs had been converted into new ordinary shares of the Company during the year ended 31 March 2012.

On 8 May 2012, the Company entered into an agreement with the holders of the 2011 CBs for the substitution of the outstanding principal of the 2011 CBs on maturity by promissory notes with principal amount of HK\$21,840,000 which are repayable on 8 November 2012 and bear interest of 4% per annum.

On 13 December 2010, the Company issued convertible bonds (the "2010 CBs") to several independent third parties in the principal amount of HK\$75,050,000 with maturity date on 13 December 2011. The 2010 CBs bore interest of 4% per annum and is unsecured.

The effective interest rate of the liability component was 9.29%.

The principal terms of the 2010 CBs were as follow:

- Conversion rights were exercisable at any time during the period commencing from the date of issue of the 2010 CBs up to (but excluding) the maturity date.
- The holders of the 2010 CBs were entitled to convert the 2010 CBs into ordinary shares of the Company at an initial conversion price of HK\$0.95 per ordinary share.
- If any of the 2010 CBs had not been converted, it would be redeemed on the maturity date at a redemption amount equal to 104% of the principal amount of such 2010 CBs.
- At any time up to the maturity date, the Company may by notice redeem whole or part of the outstanding 2010 CBs at an amount equal to 104% of the principal amount of such 2010 CBs.
- Holders of the 2010 CBs were not entitled to request for early redemption except for event of default occurred.

The 2010 CBs contained three components: liability component, derivative component and equity component.

On 9 January 2012, the Company had entered into a deed of amendment in relation to the 2010 CBs.

The movements of the liability, equity and derivatives components of the convertible bonds during the reporting period are set out below:

	Liability	Derivatives financial assets	Equity	Total
	HK\$	HK\$	HK\$	HK\$
At 1 April 2011	14,849,539	(109,000)	560,446	15,300,985
Issued during the year	20,625,000	(162,000)	169,000	20,632,000
Changes in fair value	–	256,000	–	256,000
Accrued interest paid	(608,318)	–	–	(608,318)
Reclassification to promissory notes	(15,200,000)	–	(560,446)	(15,760,446)
Imputed interest	2,025,779	–	–	2,025,779
At 31 March 2012 and 1 April 2012	21,692,000	(15,000)	169,000	21,846,000
Changes in fair value	–	15,000	–	15,000
Reclassification to promissory notes (note 9)	(21,840,000)	–	(169,000)	(22,009,000)
Interest expense	148,000	–	–	148,000
At 31 March 2013	–	–	–	–

At the date of issue of the 2011 CBs and 31 March 2012, the fair value of the derivative financial asset were valued by the Roma Appraisals Limited (“Roma”), an independent qualified professional valuer not connected with the Group. The fair values of derivative financial assets of the 2011 CBs were calculated using the Black-Scholes option pricing model. The major inputs in the model as at 9 May 2011 were as follows:

	At 31/3/2012	(Date of issue) At 9/5/2011
Share price	HK\$0.30	HK\$0.49
Conversion price	HK\$0.70	HK\$0.70
Expected volatility	0.51%	1.59%
Expected life	38 days	365 days
Risk free rate	0.07%	0.26%
Expected dividend yield	Nil	Nil

Any changes in the major inputs used in the model will result in changes in the fair value of the liability component. The variables and assumptions used in calculating the fair value of the liability component are based on the Directors’ best estimates.

9. PROMISSORY NOTES

- On 9 May 2011, the Group issued 4% promissory notes with principal amount of HK\$40,000,000 as part of the consideration for the acquisition of Jun Qiao Limited. These promissory notes with fair values of HK\$39,734,000 at the date of issue were redeemed by the Group during the year ended 31 March 2012 at the principal amount of HK\$40,000,000 and resulted in a loss on redemption of HK\$266,000.
- On 9 January 2012, the Group issued 4% promissory notes with principal amount of HK\$15,200,000 pursuant to the deed of amendment for the extension of the repayment terms of the convertible bonds issued on 13 September 2010. The promissory notes were matured on 13 September 2012 and were settled during the year.
- On 9 May 2012, the Group entered into an agreement with the holders of the 2011 CBs for the substitution of the outstanding principal of the 2011 CBs of HK\$21,840,000 by promissory notes bearing interest of 4% per annum. The promissory notes were matured on 8 November 2012 and were settled during the year.

10.DEFERRED TAX

The followings are the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

	Accelerated tax depreciation HK\$	Tax losses HK\$	Fair value adjustments HK\$	Total HK\$
At 1 April 2011	29,794	(29,794)	–	–
Acquisition of subsidiaries	–	–	73,086,602	73,086,602
(Credited) charged to the consolidated statement of comprehensive income	(5,714)	5,714	–	–
Exchange realignment	–	–	2,300,730	2,300,730
At 31 March 2012 and 1 April 2012	24,080	(24,080)	75,387,332	75,387,332
Charged (credited) to the consolidated statement of comprehensive income	16,135	(16,135)	–	–
Exchange realignment	–	–	915,119	915,119
At 31 March 2013	40,215	(40,215)	76,302,451	76,302,451

At 31 March 2013, deferred tax assets of HK\$40,215 (2012: HK\$24,080) have been presented as an offset against deferred tax liabilities in the consolidated statement of financial position.

At the end of the reporting period, the Group had unused tax losses of approximately HK\$128,782,859 (2012: HK\$128,489,635) available for offset against future profits. A deferred tax asset has been recognised in respect of such tax losses of HK\$243,727 (2012: HK\$145,938). No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$128,539,132 (2012: HK\$128,343,697) due to unpredictability of future profits streams. Tax losses of the Group can be carried forward indefinitely.

11.SHARE CAPITAL

	2013		2012	
	No. of shares	Amount HK\$	No. of shares	Amount HK\$
Authorised:				
Ordinary shares of HK\$0.01 each	6,000,000,000	60,000,000	6,000,000,000	60,000,000
Issued and fully paid:				
Ordinary shares of HK\$0.01 each				
At beginning of year	640,643,200	6,406,432	567,536,000	5,675,360
Issue of shares on placing	527,154,000	5,271,540	73,107,200	731,072
At 31 March	1,167,797,200	11,677,972	640,643,200	6,406,432

On 5 May 2011, 73,107,200 ordinary shares of HK\$0.01 each were placed at a price of HK\$0.64 per share and raised net proceeds of approximately HK\$44,668,592.

On 15 May 2012, 86,154,000 ordinary shares of HK\$0.01 each were placed at a price of HK\$0.26 per share and raised net proceeds of HK\$21,740,024.

On 26 June 2012, 41,000,000 ordinary shares of HK\$0.01 each were placed at a price of HK\$0.305 per share and raised net proceeds of HK\$12,092,360.

On 29 June 2012, 400,000,000 ordinary shares of HK\$0.01 each were placed at a price of HK\$0.25 per share and raised net proceeds of HK\$95,699,845.

The above shares rank pari passu in all aspects with other shares in issue.

12. OTHER INCOME

	2013 HK\$	2012 HK\$
Bank interest income	285,804	89,621
Exchange gains	148,640	329,624
Loan interest income	1,006,050	–
	1,440,494	419,245

13. (LOSS) PROFIT BEFORE TAX

(Loss) profit before tax has been arrived at after charging:

	2013 HK\$	2012 HK\$
Depreciation of property, plant and equipment	2,990,775	2,113,639
Auditor's remuneration	835,000	766,000
Employee benefit expenses	19,179,554	16,771,936
Amortisation of prepaid lease payments	107,107	–
Minimum lease payments under operating leases in respect of land and buildings	3,419,643	3,323,051

14. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made in current year as there are no profits chargeable to Hong Kong Profits Tax. No provision for Hong Kong Profits Tax has been made in 2012 as the assessable profits are offset by allowable tax losses brought forward.

Under the law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries registered in the PRC is 25% from 1 January 2008 onwards.

The amount of income tax expense in the consolidated statement of comprehensive income represents:

	2013 HK\$	2012 HK\$
Current tax:		
PRC Enterprise Income Tax	6,960	2,139,436

15.(LOSSES) EARNINGS PER SHARE

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

	2013 HK\$	2012 HK\$
(Loss) profit for the year attributable to owners of the Company	(22,258,263)	12,554,422
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (losses) earnings per share	1,050,216,991	633,851,821

The computation of diluted earnings per share for both years ended 31 March 2013 and 2012 does not assume the conversion of the Company's outstanding convertible bonds since their exercise would result in a decrease (2012: increase) in losses (2012: earnings) per share.

16.DIVIDEND

No dividend was paid or proposed during the year, nor has any dividend been proposed since the end of the reporting period (2012: nil).

17.RELATED PARTY TRANSACTIONS

- (a) The balances with the Company's directors, a substantial shareholder and non-controlling interest of a subsidiary are disclosed in note 7.
- (b) Compensation of directors and key management personnel

	2013 HK\$	2012 HK\$
Short-term employee benefits	6,586,125	3,801,993
Post-employment benefits	30,482	37,600
	6,616,607	3,839,593

The remunerations of directors and key executives are determined by the remuneration committee of the Company having regards to the performance of individuals and market trends.

18.EVENTS AFTER THE REPORTING PERIOD

- (a) On 28 March 2013, the Group entered into a sale and purchase agreement with an independent third party to acquire a motor vehicle and a vehicle license through the acquisition of the entire interest in Take Industry Investment Limited at a consideration of HK\$4,800,000. The transaction was completed in April 2013.
- (b) On 1 May 2013, the Group and the vendor entered into a deed of termination to terminate the proposed acquisition of Billion Light Holdings Limited. The directors of the Company considered that it is the best interest of the Company to terminate the acquisition in light of the significant delay in the acquisition and the prevailing market conditions.

Pursuant to the Deed, the vendor agreed to repay the Deposit of HK\$30,000,000 to the Company, the Deposit was subsequently refunded in full.

- (c) On 16 May 2013, the Company entered into a non-legally binding Memorandum of Understanding with an independent third party to acquire the entire interest in Giant Purity Limited at a total consideration of not exceeding HK\$500,000,000. Further details were set out in the Company's announcements dated 19 May 2013.
- (d) On 10 June 2013, the Company entered into a placing agreement with a placing agent to place up to 233,000,000 new shares of HK\$0.01 each to independent investors at a price of HK\$0.15 per share. The placing is not completed up to the date of this result announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING RESULTS

In 2012/2013 financial year, the turnover of the Group amounted to HK\$68.7 million, representing a decrease of 40% as compared to HK\$115 million in previous year. The total comprehensive expense of the Group amounted to HK\$19.3 million, representing a fall of HK\$46 million as compared to the total comprehensive income of HK\$26.7 million in year 2011/2012. The comprehensive expense attributable to owners of the Company amounted to HK\$19.2 million, representing a decline of HK\$38 million from that of previous year. During the year, the Group's financial quotation and securities trading system licensing remained the core revenue contributor, which accounted for 96% of the Group's revenue. The mining operation segment has contributed revenue of HK\$2.6 million. Nevertheless after taking account of the depreciation of tangible assets, the mining operation segment suffered from a loss of HK\$2.5 million.

Loss for the year amounted to HK\$23.6 million, and representing a drop by HK\$40.6 million as comparing to the profit for the year of HK\$17 million in year 2011/2012. The decline could be analyzed by the following factors:

- In the previous year, the Group had recognized an one-off gain on bargain purchase of HK\$28.3 million in relation to the acquisition of the mining operation pursuant to relevant accounting standards. Such exceptional gain was one-off in nature and did not happen again in the current year.
- Gross profit has decreased by HK\$12.1 million as a result of the fall in turnover, despite the fact that the gross profit margin had remained at approximately 24%.

FINAL DIVIDEND

The Board did not propose a final dividend.

BUSINESS REVIEW

The Mining Operation

During the year, the mining operation contributed a turnover of approximately HK\$2.6 million (2011/2012: HK\$32.6 million) to the Group. Loss before tax attributable to the segment amounted to HK\$2.5 million (2011/2012: profit of HK\$8.4 million). PRC Enterprise Income Tax of HK\$6,960 has been provided at 25%, being the applicable tax rate for the operating entities in PRC on the taxable profit. In the previous year, there was a one-off item recognized in the segment, that was the gain on bargain purchase, which was the difference between the consideration paid by the Company on acquisition and the fair value of net assets acquired and attributable to the Group. The gain on bargain purchase amounted to HK\$28.3 million, and was recognized in the consolidated statement of comprehensive income in the year 2011/2012.

Jun Qiao Limited (“Jun Qiao”), through its subsidiaries, Tong Bai County Yin Di Mining Co Ltd (桐柏縣銀地礦業有限責任公司) (“Yin Di Company”) and Xinjiang Xin Jiang Yuan Mining Co Ltd (新疆鑫江源礦業有限公司), held 1 mining license in Henan and 2 exploration licenses in Henan and Xinjiang respectively. The mining projects of the Group included the followings:

Yin Di Mining Area (銀地礦區) in Henan

The Yin Di Mining Area is the only productive mine of the Group. It is located at Tongbai County in Henan Province and covers a mining area of approximately 1.81 km². The mining area is 15 km away from Xining railways and connected to China National Highway 312, the traffic is considerably convenient. The mining license will be expired in December 2013.

Yin Di Mining Area is an operating polymetallic mine that contains gold, silver, lead and zinc ore deposits. At the end of March 2013, according to the Gold, Silver Lead and Zinc Polymetallic Reserves and Resources Verification Report (金銀鉛鋅多金屬資源儲量核查報告) (the “Reserve Report”) prepared by the First Geological Survey Team of Henan Geology and Mineral Exploration and Development Bureau (河南省地質礦產勘查開發局第一地質調查隊), estimated mineral resources of the mining area are as follows:

	Resources Classification*	Ore Tonnage (tonnes/t)	Average Grade	Metal
Gold	111b + 332	1,744,500	5.63 g/t	9,826 kg
Silver	122b	19,479	88.50 g/t	1,723.8 kg
	332	291,800	80 g/t	21,868 kg
Lead	122b	19,479	17.5 kg/t	341.8 t
Zinc	122b	19,479	18.6 kg/t	362.7 t

The above mineral reserve data was extracted from the Reserve Report, which was prepared pursuant to the China coding system for geological reserve and resources classification. The system for the categorization of mineral resources and ore reserves in China uses three-dimensional matrices, based on economic, feasibility/mine design and geological degrees of confidence. Mineral resources and reserves are categorized by a three number code of the form “123”. The definition and interpretation of each digit in the coding system are as follows:

	Denoted	Interpretation
First digit – Economic	1	Full feasibility study considering economic factors has been conducted
	2	Pre feasibility to scoping study which generally considers economic factors has been conducted
	3	No pre feasibility or scoping study conducted to consider economic analysis
Second digit – Feasibility	1	Further analysis of data collected in “2” by an external technical department
	2	More detailed feasibility work including more trenches, tunnels drilling, detailed mapping etc
	3	Preliminary evaluation of feasibility with some mapping and Trenches
Third digit – Geologically controlled	1	Strong geological control
	2	Moderate geological control via closely-spaced data points
	3	Minor work which is projected throughout the area
	4	Review stage

The denotation “b” following the three-digits code represents basis reserves (基礎儲量), that is the quantity of mineral reserves identified in geological exploration without taking into account the possible wastage and depletion arising from the exploitation method employed.

As a broad comparison between the China resources coding system and the JORC Code (the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves), resources classification of 111b in China system is similar as the measured reserves in the JORC code; while 122b and 332 are similar as the indicated reserves in the JORC code.

The Reserve Report was based on factual geological survey, drilling, sampling and etc. There was no specific assumption made in the preparation of the Reserve Report.

After the Company has completed acquisition, the Yin Di Mining Area has undergone a large scale improvement, advancement and reinforcement in mining technologies for more efficient production and safety. These improvement works were originally expected to be completed in the second quarter of 2013. However, during the year, the local municipal government has tightened the control and administration of dynamite for political reason. The supply of dynamite, the core material used in the mining site development was restricted. In most of the time, mining and site preparation could only be carried out by manual works and machines. This has significantly lowered efficiency and led to the postponement of the Group’s development plan on the mining area.

During the process of site improvement, development and substantive exploration in the mining property, there are several small new mineral veins had been found. Some of the orebodies are high in grade, and easy to extract out. These new mineral veins have not been accounted for in the previous Reserve Report at time of acquisition. With a mining area of 1.8 km², there could be a very high potential of finding new gold and silver veins/orebodies and to increase our mineral reserve in the future. The Company is currently extracting silver, lead and zinc minerals and in terms of value, the silver is the most saleable product from our mining property. During the year, the Group sold approximately 8,200 tonnes of silver ores, which was primarily extracted out from these newly found mineral veins.

For ease of management, the Group has employed a local construction team for the mining site preparation and development works. Improvement works had been started in July 2011 for ore processing plant and mining site. Improvement works on ore processing plant had been finished, while the processing plant was being test running and fine tuning at the moment. Improvement works on mining site was still in progress. Nevertheless, saleable mineral ores could still be extracted during the course of improvement works. The Group could sell mineral ores to customers. The mining site was under improvement works for the production of gold ores. When the site preparation works completes, the growth potential in turnover and profit for the mining operation would be realized.

Li Zi Yuan Mining Area (栗子園礦區) in Henan

The mine is also located at Tongbai County of Henan, and is very close to the Yin Di Mining Area. Mining area covered by the exploration license was approximately 2.36km². Detailed geological survey and mineral resources exploration were undertaking. Although findings have not yet been concluded, various copper and gold mineralization zones have been identified. The management will formulate development plan and strategy once relevant reserve report and feasibility study are finalized and approved. The exploration license will be expired on 6 April 2014.

The Department of Land and Resources of Henan Province has issued a policy statement No. [2009]9. According to this policy statement, whenever exploration license is renewed, the area of the exploration site will be reduced by not less than 25%.

If the Group renews the exploration license in 2014, the area of the renewed exploration license will be further reduced by not less than 25%, unless the relevant provincial policy has been rescinded. The Group will facilitate the progress of exploration works for this mining property. When the relevant reserve reports and feasibility study are completed, the group will apply for the mining license immediately.

Hu Lei Si De Mining Area (呼勒斯德地區) in XinJiang

The mine is located at Jai Tai County (奇台縣) of Xinjiang Uygur Autonomous Region with a total exploration mining area of 29.12 km². The mining area is connected to gravel and asphalt roads, traffic is considered convenient. Detailed geological survey and mineral resources exploration were undertaking. At the moment, several gold mineralization zones and substantial coal reserves have been identified. The management will be formulated development plan and strategy once relevant reserve report and feasibility study are finalized and approved. The exploration license will be expired on 31 May 2014.

During the year, the total expenditures of exploration, development and mining production were as follows:

	Yin Di Mining Area		Li Zu Yuan Mine		Hu Lei Si De Mine		Total	
	RMB million	HK\$ million	RMB million	HK\$ million	RMB million	HK\$ million	RMB million	HK\$ million
Improvement and reinforcement of mining site	12.8	16.1	–	–	–	–	12.8	16.1
Exploration	–	–	–	–	0.9	1.1	0.9	1.1
Total	12.8	16.1	–	–	0.9	1.1	13.7	17.2

Save for those 3 mining properties disclosed above, the Group do not have any other mining property or holds any other mining license.

The Financial Quotation Segment

The business segment includes (i) financial quotation services and securities trading system licensing provided by QuotePower International Limited ("QuotePower"); and (ii) wireless applications development provided by ABC QuickSilver Limited.

During the current reporting period, QuotePower was still the core revenue contributor of the Group. Its turnover amounted to approximately HK\$66.2 million. As compared with the last reporting period, turnover from QuotePower has been declined by approximately 20%. This reflected loss of subscribers of our financial quotation services owing to the pessimistic market and investment sentiments. The segment suffered a loss of HK\$138,000.

SELLING AND DISTRIBUTION COSTS

During the current financial year, the Group's selling and distribution costs amounted to approximately HK\$1.2 million, which were almost the same as that of the previous year. Selling and distribution costs were incurred mostly in our financial quotation segment.

GENERAL AND ADMINISTRATIVE EXPENSES

During the current financial year, the Group's general and administrative expenses increased by approximately HK\$4.9 million or 16%. The increase was primarily due to the increase in employee's salaries, directors' fees and legal and professional fees incurred. Following the termination of the proposed acquisition of Billion Light Holdings Limited, prepaid professional fees incurred for the due diligence amounted to HK\$750,000 have been written off in the income statements.

FINANCE COSTS

Finance costs decreased by 64.1% from HK\$2.2 million to HK\$0.8 million. The Group had no bank borrowings. The finance costs were mainly due to imputed interest on convertible bonds and promissory notes. The Group had settled all outstanding convertible bonds and promissory notes during the year.

PROVISION FOR REINSTATEMENT COSTS

As at 31 March 2013, the Group has made a provision of reinstatement costs of HK\$787,689 (31 March 2012: HK\$778,239). The provision was made for the reinstatement costs, which would be incurred in the future when the exploitation activities completed and the Group was obliged to recover the mining properties to their original landscape. The provision is estimated and reassessed at the end of each reporting period with reference to the latest available quotation from independent contractors or market information and practices. Estimation based on current market information may vary over time and could differ from the actual reinstatement cost upon full extraction of the mining reserves by the Group.

INCOME TAX EXPENSES

During the financial year, income tax expenses amounted to HK\$6,960. The tax expenses represented the PRC Enterprise Income Tax, which was calculated as 25% on the taxable profit of the Group's subsidiaries in PRC. During the year, the profit generated by QuotePower International Limited was offset by tax losses brought forward and thus the income tax expense was solely contributed by Tong Bai County Yin Di Mining Company Limited.

EARNINGS PER SHARE

For the year ended 31 March 2013, the basic and diluted losses per share amounted to 2.12 cents, which shown a regression from the earnings per share of 1.98 cents from the last reporting year.

DEFERRED TAX LIABILITIES

As at 31 March 2013, deferred tax liabilities attributable to Jun Qiao amounted to HK\$76.3 million (2012: HK\$75.4 million), which was calculated at the tax rate of PRC Enterprise Income Tax of 25% mainly on the increase in fair value of intangible assets in accordance with the relevant accounting principle. The movement during the current financial year represented exchange realignment.

FINANCIAL POSITION

The Group's consolidated statement of financial position remained solid. Shareholders' equity increased from HK\$182.5 million to HK\$292.8 million. Total assets and net assets increased by 9% and 36% to HK\$521.2 million and HK\$415.8 million respectively, which was primarily due to the successful placement and issue of new shares in the year.

In the current year, the net cash used in operations amounted to HK\$17.2 million, as compared to that of HK\$30.4 million in previous year. The net cash used in operation decreased by HK\$13.2 million, which was primarily due to the decrease in account receivables by HK\$14.4 million. The net cash used in the Group's investing activities amount to HK\$47.3 million, which was due to the several fixed income short term investment made by the Company. Overall, the net decrease in cash and cash equivalents of the Group amount to HK\$0.3 million, as compared to the net increase in previous year of HK\$1.8 million. As at 31 March 2013, the Group's cash and cash equivalent amounted to approximately HK\$31.4 million (31 March 2012: HK\$31.3 million). The Group was endeavor to maintains a conservative approach to cash management and risk controls.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2013, the Group's cash and cash equivalents amounted to HK\$31.4 million (2012: HK\$31.3 million). The group had no banks loans or borrowings with fixed term of repayment at the end of year.

	As at 31 March 2013	As at 31 March 2012
Current ratio (current assets/current liabilities)	4.2 times	0.99 times
Gearing ratio (total liabilities/total assets)	20.2%	36.1%

The Group's liquidity remains healthy. Nevertheless, as the Company is still keen on looking for strategic investment to diversify its business operation, additional financing might be requested when suitable investment opportunity was identified. The management will assess and consider various possible fund raising alternatives to strengthen the capital base and financial position of the Company and to make sure that the Company will have sufficient working capital to support its future operational and investment needs.

TRADE RECEIVABLES

The breakdown of trade receivables of the Group by operating segment were as follows:

	31 March 2013 HK\$	31 March 2012 HK\$
Financial Quotation Services	4,799,756	5,705,510
Mining Operations	1,575,378	15,039,530
	6,375,134	20,745,040

Trade receivable in the Group's financial quotation segment has been increased by approximately 10%. For the mining operations, the sale of mineral ores was settled by cash on deliver or advance payment, thus no trade receivables as at the current year end. The management did not foresee any recoverability problem as the amount has been settled after the reporting date. The management will constantly review the aging and credit standing of customers to ensure trade receivables can be fully recovered.

OTHER RECEIVABLE, DEPOSITS AND PREPAYMENTS

The breakdown of other receivables, deposits and prepayments were as follows:

	31 March 2013 HK\$	31 March 2012 HK\$
Liquidated damage receivable	–	1,988,606
Other receivables	1,495,423	465,155
Rental deposits	1,688,447	1,499,294
Prepayment	966,161	723,800
	4,150,031	4,676,855

As at 31 March 2013, other receivables increased due to loan interest income arised during the year amounted to HK\$1 million. The decrease in the overall balance was due to settlement of majority of last year's liquidated damage. The remaining balances were not material to the Group.

PREPAYMENTS FOR EXPLORATION AND EVALUATION ACTIVITIES

As at 31 March 2013, the prepayments for exploration and evaluation activities amounted to approximately HK\$12.8 million were made for exploration drilling activities in relation to the Group's exploration rights held. The prepayments were made in accordance with the contracts entered into with the exploration teams and the exploration drilling activities had not yet been completed as at 31 March 2013.

The detail breakdowns of prepayments for exploration and evaluation activities were as follows:

	31 March 2013 HK\$'000	31 March 2012 HK\$'000
Li Zi Yuan Mining Area exploration contract	4,447	4,447
Hu Lei Si De Mining Area exploration contract	8,307	7,165
Miscellaneous expenses, fees and levies	38	38
	12,792	11,650

There are two stages for these exploration contracts. Stage one is called preliminary exploration and stage two is called advanced exploration. The stage one is mainly focusing on finding and locating the mineralization belts and to determine the economic ore veins within the mineralization belts using some geotechnical measures and the activities are mainly on the surface. The stage two is to identify the ore bodies in more details and deeper underground by using drilling method. Both Li Zi Yuan Mining Area and Hu Lei Si De Mining Area are in the stage one exploration works of locating mineralization belts.

For the Li Zi Yuan Mining Area exploration contract, it is an all-in arrangement with the exploration team whereas the Group paid RMB3.6 million and the exploration team shall prepare all relevant materials, including mineral reserve report and feasibility study report for the approval of the Department of Land and Resources of Henan Province.

For the Hu Lei Si De Mining Area exploration contract, the contract sum is not fixed and will be depending on the volume of exploration works and activities, including geological survey, drilling and sample testing. The exploration team is obliged to carry out exploration works pursuant to the relevant code and standards for geological exploration of gold mines.

The Company believed that the prepayment was a normal business practice for the exploration teams giving the high credit risk associated with the uncertainty in exploration results. The management always endeavors to negotiate the best contract terms for the Company. It is believed that these exploration contracts will promote the substantive development of the Group's mining operation.

INTANGIBLE ASSETS

The Group's intangible assets, which comprised of mining right and reserves and exploration rights, amounted to approximately HK\$318.6 million, which was resulting from the acquisition of Jun Qiao in the previous year.

In ascertaining the carrying value and assessing if there is any impairment on the mining right and reserves, the Directors had engaged Roma to perform valuations on the mining right and reserves based on financial forecasts prepared by the management as at 31 March 2013. The management had prepared the financial forecasts based on the probable and proven reserves as stipulated in the reserve reports prepared by 河南省地質礦產勘查開發局 as at 31 March 2013 respectively. The Directors considered that the financial forecast had been prepared under due and careful considerations. Roma had discussed the assumptions with the management and compared the parameters of the financial forecast to market information and considered reasonable. Based on the valuation as at 31 March 2013, which had a higher fair value than the carrying amount, the Directors considered that there was no impairment on the mining right and reserve as at 31 March 2013.

The valuation of the Group's intangible assets relied upon the estimated mineral resources data in the Reserves Report prepared by the First Survey Team of Henan Geology and Mineral Exploration and Development Bureau. The Reserve Reports was based on factual geological survey, drillings and sample testing. There was no specific assumption made in the preparation of the Reserves Report.

Based on the valuation reports issued by Roma on 26 June 2013, the fair value of each of the Group's mining properties as at 31 March 2013 were as follows:

Mining Property:	Status	Fair Value	
		31 March 2013	
		RMB'000	HK\$'000
Yin Di Mining Area	Mining	435,000	543,881
Li Zi Yuan Mining Area	Exploration	682	853
Hu Lei Si De Mining Area	Exploration	2,119	2,649
		437,801	547,383

Note: The fair value of the Group's mining properties as at 31 March 2013 was prepared as reference for the purpose of assessing if there was any impairment on intangible assets and for management information purposes. As no impairment on intangible assets has been provided for in the audited financial statements, the fair value as at 31 March 2013 was not reflected in the financial report.

The fair values of Li Zi Yuan Mining Area and Hu Lei Si De Mining Area were assessed with Market-Based Approach. Under the Market-Based Approach, transaction of comparable exploration licenses had been selected in determining the consideration-to-exploration area multiples. The change in fair values of these exploration licenses was mainly due to the change in the consideration-to-exploration area multiples, as an updated set of market comparables had been used in assessing the fair value as at 31 March 2013, in order to reflect the latest market position.

In the valuation report issued by Roma for the fair value of intangible assets as at 31 March 2013, Roma have adopted certain assumptions in their valuation and the major ones are as follows:

- The Group can successfully renew the mining licence and exploration licences, and develop the mining properties based on the updated business plan provided by the management;
- The projections outlined in the financial information provided are reasonable, reflecting market conditions and economic fundamentals, and will be materialized;
- There exist reliable and adequate transportation networks and capacity for processing the mine products;
- Economic conditions will not deviate significantly from forecasts; and
- There will be no major changes in the political, legal, economic or financial conditions in the localities in which the mining properties operate or intend to operate, which could adversely affect the revenues attributable to and the profitability of the mining right and the exploration rights.

In assessing if there is any impairment on the exploration rights, the Directors had made reference to the requirements stipulated in HKFRS 6 – Exploration for and Evaluation of Mineral Resources, issued by the Hong Kong Institute of Certified Public Accountants. Having considered inter alia the terms of the explorations had been renewed subsequent to the end of the reporting period, the Group had paid the professional fees for the exploration and drilling activities for the subject mining area and the positive findings as reverted by the exploration team up to the date of this announcement, the Directors considered that there was no impairment on the exploration rights.

In accordance with HKFRS 6, exploration right should be stated at cost less impairment losses and therefore no amortisation had been recognised during the year.

In respect of the mining right and reserves, in accordance with the Group's accounting policy, they are amortised over the estimated useful life on a straight line basis based on the probable and proven reserves, the estimated useful life. Such kind of amortisation method is named as the unit-of-production ("UOP") method. During the current year, the mineral reserves that had been extracted represented extra resources not stipulated in the reserve report as at 31 March 2011 and thus the carrying value of the mining right and reserves recognised on acquisition of Jun Qiao did not include the resources extracted and therefore, no amortisation had been recognised in such respect. With the UOP method, the intangible assets are amortised according to the production quantity during the reporting period.

DEPRECIATION

The mining structures refer to the infrastructures that are erected for the whole mining area which are expected to last until the end of the extraction activities. As such, these structures are depreciated in the same way as the mining right and reserves, that is based on the UOP method.

For the plant and machinery which will mainly be deployed for ore refinery and thus a 15% depreciation rate was applied.

The amortisation method and the estimation of useful lives is in line with market practice.

The depreciation method and useful lives had been agreed with the auditor of the Company and the valuer.

UOP method is adopted for the mine specific items such as the infrastructures within the mining area enabling the extraction of mineral reserves. As these mine specific items normally have a long useful life and they will be abandoned when the mining reserves is fully extracted, the Company considered that the adoption of UOP method for the depreciation purpose is more appropriate.

On the other hand, straight-line depreciation over $6\frac{2}{3}$ years is adopted for non-mine specific items such as tailings pond and the roads built to connect the mine with the highway as the Company considered that their useful life are not directly correlated to the extraction of reserves.

Based on the production plan of the Group, the mineral reserves are expected to be fully extracted within 15 years.

In accordance with the Group's accounting policy, depreciation method and useful lives are assessed annually.

SHARE CAPITAL

As at 31 March 2013, the total number of issued ordinary shares of the Company was 1,167,797,200 shares (31 March 2012: 640,643,200 shares).

On 15 May 2012, the Company has successfully placed 86,154,000 ordinary shares at a price of HK\$0.26 per share, and raised net proceeds of approximately HK\$21.7 million. The net proceed was intended to repay outstanding convertible bonds of the Company if the said were not fully converted by its holder before the maturity date. Provided that they were fully or partly converted by its holder before the maturity date, the proceeds from the placement would be intended to partly repay the loan from a substantial shareholder of the Company. The net proceeds was subsequently used as to HK\$14.2 million to repay the loan from a substantial shareholder, as to HK\$6 million to repay advance from directors, and as to HK\$1.5 million for general working capital.

On 26 June 2012, the Company has successfully placed 41,000,000 ordinary shares at a price of HK\$0.305 per share, and raised net proceeds of approximately HK\$12.1 million. The Company intended to use the net proceeds of approximately HK\$6 million to reduce the liabilities of the Group, including but not limited to the outstanding balance of the loan from a substantial shareholder of the Company, the outstanding balance of loan from a director and the outstanding balance of the promissory notes. The remaining balance of HK\$6.1 million will be used as general working capital of the Company. The net proceeds was subsequently used as to HK\$5.8 million to repay the loan from a substantial shareholder, as to HK\$2 million to repay advance from a directors, and as to HK\$4.3 million for general working capital.

On 29 June 2012, the Company has successfully placed 400,000,000 ordinary shares at a price of HK\$0.25 per share under a specific mandate granted to the Board by shareholders in special general meeting held on 5 March 2012, the ordinary resolution to approve the placing of 400,000,000 new shares have been issued. The Company raised net proceeds of approximately HK\$95 million from the placement. The Company intends to apply the net proceeds as to (i) not less than 50% of the net proceeds for financing the acquisition 55% of the issued share capital of Billion Light Holdings Limited and/or any other investment opportunities that may be identified by the Group; and (ii) not more than 50% of the net proceeds for the reduction of liabilities of the Group and/or general working capital of the Group. The net proceeds was subsequently used as to (i) approximately HK\$38 million to repay outstanding convertible bonds and promissory notes, including interest, of the Company; (ii) approximately HK\$2.6 million to repay advance from a director; (iii) approximately HK\$4.8 million to acquire certain fixed and movable assets; (iv) approximately HK\$40 million for providing short term secured financing; and (v) approximately HK\$9.6 million was used for the general working capital of the Group. The HK\$40 million short term financing has been returned to the Company at the date of this result announcement. The Company will applied the fund on potential investment opportunities that might be identified by the Group. As at the date of this result announcement, except for the entering into the non-legally binding Memorandum of Understanding dated 16 May 2013 in relation to the proposed acquisition of the entire issued share capital and all shareholders' loans of Giant Purity Limited, details of which have been disclosed in the Company's announcement dated 16 May 2013, the Company has not identified any other potential investment opportunity.

FUND RAISING ACTIVITIES AFTER REPORTING PERIOD

On 10 June 2013, the Company entered into a placing agreement with Orient Securities Limited as placing agent to place, on a best efforts basis, a maximum of 233,000,000 at a price of HK\$0.15 per share under a general mandate granted to the Directors at the annual general meeting held on 18 February 2013. On the assumption that all placing shares are fully placed, the gross proceeds and the net proceeds arising from the placing will be HK\$34.95 million and approximately HK\$33.3 million, respectively, which is intended to be used as general working capital and for future potential investments of the Company. The placing of shares has not yet been completed. For further details, please refer to the Company's announcement dated 10 June 2013.

PLEDGE OF ASSETS

As at 31 March 2013, no assets of the Group were pledged to secure general banking facilities granted to the Group.

CONTINGENT LIABILITIES

As at 31 March 2013, the Group had no material contingent liabilities.

CAPITAL COMMITMENTS

	2013 HK\$	2012 HK\$
Contracted but not provided for capital commitment in respect of the acquisition of :		
– Subsidiaries (note)	170,000,000	170,000,000
– Property, plant and equipment	–	998,493
	170,000,000	170,998,493

Note: Subsequent to the end of the reporting period, the major transaction has been terminated and the Group had no capital commitment as at the announcement date.

FOREIGN EXCHANGE EXPOSURE

Most of the operations and trading transaction, assets and liabilities of the Group were denominated in Hong Kong dollar and Renminbi. During the year ended 31 March 2013, the Group had an insignificant amount of exchange difference.

The Group adopted a conservative treasury policy, with most of the bank deposits being kept in Hong Kong dollars and Renminbi, to minimize exposure to foreign exchange risks. As at the year end and during the year, the Group had no foreign exchange contracts, interest or currency swaps, or other financial derivatives for hedging purposes.

COMMODITY PRICE RISK

The price of the Group's products of the mining operations are influenced by international and domestic market prices and changes in global supply and demand for such products. Price volatility of metals is also affected by the global and PRC economic cycles as well as the fluctuations of the global currency market. Both the international and domestic market price of metals as well as the volatility of their supply and demand are beyond the control of the Company. Therefore, the volatility of commodity price may affect the turnover from the Group's mining operation and thus the comprehensive income of the Group. The Group did not engage in nor enter into any trading contracts and price arrangements to hedge the risk of volatility of metals prices.

EMPLOYEE REMUNERATION POLICY

As at 31 March 2013, the Group had 59 employees (31 March 2012: 58 employees). Total salaries, commissions, incentives and all other staff related costs incurred for the year ended 31 March 2013 amounted to approximately to HK\$19.2 million (31 March 2012: HK\$16.8 million). Our remuneration policies are in line with prevailing market practices and formulated on the basis of the performance and experience of individual employees. Apart from basic salaries, other staff benefits included provident funds, life insurance and medical assistances benefit. The Company may also grant share options to eligible employees to motivate their performance and contribution to the Group.

OUTLOOK

The Mining Operations

Looking forward to the succeeding years, there will be still uncertainties in the recovery of the global economic due to extreme volatilities in the global market and the European sovereign crisis. On the back of such environment, precious metals remain a fundamental option for investors who opt for a diversified portfolio to mitigate systematic risks. Coupled with the overwhelming demands from the PRC market, the management expects to see continued upside potential for metals price, especially gold and silver, during the comings financial years.

The mining operation is rather new to the Group and to its senior management. Except for the Chief Executive Officer of the Company, the Group's senior management had no experience and professional knowledge on the operation. The scale of the Group's mining operation is considered small and limited. The Group can only be a market follower, and has no influence on both the market price and sales of ores and ores concentrates in the local market. The prospect of the Group's mining operation relies solely on the Group's ability to extract valuable mineral resources efficiently and economically, and to identify new mineral reserves in the Group's mining properties. Regarding this direction, the Group has appointed local experienced exploitation and exploration teams in order to deliver the full potential of the Group's mineral reserve and resources.

Based on the existing gold and silver reserves and resources of the Group, it is expected to have higher production in the future. In near term, the Group will focus on the exploitation of gold and silver ore and production of concentrates. To achieve greater stability, predictability, consistency and sustainability of the Group's mining production, the management has set the following strategies:

1. Further enhance the mining and ore processing technologies;
2. Increase the capacity of ore processing plant by constructing additional processing facilities;
3. Increase the exploitation capacity by appointing or co-operating with contracted qualified mining teams; and
4. Facilitate the completion of the exploration works and feasibility studies in Li Zi Yuan Mining Area and Hu Lei Si De Mining Area so as to formulate suitable development plan.

Regarding the exploration works of the Group, the previous and current works on the fields of the two exploration license have showed the results of finding gold mineralization. There have been mineral samples taken from the field surface of licensed exploration area in Henan and Xinjiang, and the samples examined for gold. The results are positive as the grade of gold ore samples are ranging from 0.5 g/t and 6 g/t. However, at the moment it could not provide details of the geological results, because there are extra geological works to be carried out, and the stage geological summary report will be produced after the works finished.

The exploration works was expected to be finished in 2014. The resource/reserve reports and the feasibility reports for both exploration properties will be finalized in the second half of 2014 and the resulting mining licenses could be issued in the same year.

Regarding the development plan and the strategy for the Yin Di Mining Area, the Group's only operating mine, the management planned to achieve a mining and gold ores processing capacity of 450 tonnes per day by three stages, which is expected to be completed before the mid of 2016. The first stage of gold production is expected to be started in the second quarter of 2014 with daily ores production of 150 tonnes. The second stage will be started in the first quarter of 2015 and daily ores production will reach 300 tonnes. The final stage will be stated in the third quarter of 2016 when the Yin Di Mining Area could produce 450 tonnes of ores per day. It is expected the Group will be able to produce contained gold of about 525 kg per year and create an output value of about RMB128 million from year 2017 onwards. In the meantime, the Group will continue the extraction of silver ores from the mining area to fully utilize the potential of our mining property. The selling of silver ores could provide a stable revenue and cash flow for the mining operation. It will be the strategy of the Group to carry out mining operation, mine development and exploration works simultaneously in order to keep generating cash-flow from the mining operation while making investment. The Group has no current intention and plan to acquire other mining properties in the near future. The management will focus on the development of the Group's existing mining properties.

The progress and growth that the Group has made in the current year is encouraging. The Group has now its strategy firmly in place and is well positioned to advance into the exciting new phase of growth.

The Financial Quotation Segment

The financial results of QuotePower, the main revenue producer of the Group, to a large extent depend on the performance of the stock market. QuotePower is one of the leading financial quotation service providers in Hong Kong. It has long history in the market and has wide client base. However, it is believed that the market for paid financial quotation services has been fully developed and saturated. The potential for further development is very limited and raise of subscription price would result in loss of subscribers. The management of QuotePower has launched financial quotation services in mobile devices platform in recent years, yet the effort has achieved little in terms of attracting subscribers and widening revenue base. The prospect of the Group's financial quotation service segment depends on the management's ability to retain customers by providing quality services and control costs. Demand for the Group's financial quotation services derives mainly from the investment sentiments in the financial market. Investor sentiments have been recovering as a result of the quantitative easing monetary policies adopted by various governments after the financial tsunami in earlier years. Given the strong market position and customer base built up over the years, we are reasonably confident that QuotePower will be able to regain its proven track records. However, as a matured and fully developed business sector, the room for further growth and development of the segment is limited. Meanwhile, the continued strengthening of Hong Kong as an international financial centre should also present us with new growth prospects, which we believe QuotePower is well-placed to capture. It will continue to explore business opportunities to enhance its market leadership in the area of financial information services and to expand the geographical reach of its sales and marketing activities. It is expected that the financial quotation services provided by the Group will still face severe challenge ahead. The management will strive to exercise prudent business measures to maximize its profitability or to minimize the loss.

Other

The management always believes that it is in the best interest of the Company and the shareholders to diversify the Group's business portfolio. The Company will continue to identify appropriate potential investment opportunities.

On 16 May 2013, the company entered into the non-legally binding Memorandum of Understanding in relation to the proposed acquisition of the entire issued share capital and all shareholders' loans of Giant Purity Limited (the "Target Company"), details of which have been disclosed in the Company's announcement dated 16 May 2013. The Target Company is a company incorporated in the British Virgin Islands with limited liability. According to the information provided by the vendor, an indirect 95%-owned subsidiary of the Target Company owns 100% of a PRC project company which holds and owns (a) mining permits in respect of dolomite marble covering a total area of approximately 0.3988 square kilometers (the "Target Mine"); (b) concession rights and interests in respect of forest land with a total site area of approximately 270 Chinese Mu; and (c) land use right in respect of a parcel of industrial land with a total site area of approximately 156 Chinese Mu, all of which are situated in Kuandian Manchu Autonomous County, Dandong City, Liaoning Province, PRC. According to the information provided by the Vendor, the Target Mine has an indicated mineral resource (or higher) of dolomite marble of not less than 20,000,000 cubic metres. The management was conducting due diligence works including legal, financial and technical aspects at the moment, in order to form a view on whether the Company should proceed with the proposed acquisition.

Except for those fund raising activities after reporting period and the proposed acquisition of Giant Purity Limited disclosed above, the Company has no current intention or plan for any fund raising activities, any acquisition or investments, and any disposal or scale-down of any current business.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's securities during the year and the Company has not redeemed any of its securities during the year.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, The Group has complied with the Code Provisions set out in the Corporate Governance Code with effect from 1 April 2012 (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited ("the Stock Exchange") throughout the year ended 31 March 2013, except for the following deviation.

Code Provision A.4.1

Code A.4.1 stipulates that non-executive directors should be appointed for a specific term and subject to reelection. All non-executive directors of the Company were not appointed for a specific term, but every director of the Company will be subject to retirement no later than the third annual general meeting after his election, under the Company's Bye-Laws. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are not less exacting than those in the Code; and

Code Provision A.6.7

Code Provision A.6.7 stipulates that independent non-executive directors ("INEDs") and other non executive directors ("NEDs") should attend general meeting. Out of four INEDs of the Company, only one INED attended the annual general meeting of the Company held on 18 February 2013 (the "2012 AGM") but the other three INEDs and one NED were unable to attend the 2012 AGM due to other business engagement.

AUDIT COMMITTEE AND REVIEW OF ACCOUNTS

The Audit Committee has been set up by the Board with specific terms of reference, comprising three independent non-executive directors, namely, Mr. Yau Chung Hang (Chairman), Mr. Lee Kwong Yiu and Mr. Zhang Guang Hui have reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the audited accounts for the year ended 31 March 2013. The Audit Committee has reviewed the audited financial results of the Group for the year ended 31 March 2013.

NOMINATION COMMITTEE

The Nomination Committee has been established on 29 March 2012 with specific terms of reference for the purpose of reviewing the Board composition, advising the Board on the appointment and succession planning of Directors and assessing the independence of Independent Non-executive Directors. The Nomination Committee consists of two executive directors, namely, Mr. Chen Jiasong and Mr. Cheung Wai Shing and three independent non-executive directors, namely, Mr. Lee Kwong Yiu, Mr. Yau Chung Hang and Mr. Zhang Guang Hui. Mr. Chen Jiasong is the chairman of the Nomination Committee.

REMUNERATION COMMITTEE

The Remuneration Committee has been set up by the Board with specific terms of reference for the purpose of reviewing the remuneration of Directors and the remuneration policies of the Group. Currently, the Remuneration Committee consists of two executive directors, namely, Mr. Chen Jiasong and Mr. Cheung Wai Shing and three independent non-executive directors, namely, Mr. Lee Kwong Yiu, Mr. Yau Chung Hang and Mr. Zhang Guang Hui. Mr. Lee Kwong Yiu is the chairman of the Remuneration Committee.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the full set of Model Code set out in Appendix 10 of the Listing Rules as the code of conduct regarding directors' securities transactions (the "Model Code"). The prohibitions on securities dealing and disclosure requirements in the Model Code apply to specified individuals including the Group's senior management and also persons who are privy to price sensitive information of the Group. Having made specific enquiry of all directors, the Board confirms that the Directors of the Company have complied with the Model Code regarding directors' securities transactions during the year and up to the date of this result announcement.

PUBLICATION OF FINANCIAL INFORMATION

This result announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.0030hk.com). The Company's annual report for 2012/13 will be dispatched to the shareholders of the Company and available on the above websites in due course.

By order of the Board of
ABC Communications (Holdings) Limited
Chen Jiasong
Chairman

Hong Kong, 28 June 2013

As at the date hereof, the Board of the Company comprises:

Executive Directors:

Mr. Chen Jiasong (*Chairman*)
Mr. Cheung Wai Shing
Mr. Song Gaofeng
Ms. Ma Sai

Non-executive Director:

Mr. Qiu Hai Jian

Independent Non-executive Directors:

Mr. Chen Haoyun, Jordy
Mr. Lee Kwong Yiu
Mr. Yau Chung Hang
Mr. Zhang Guang Hui