

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GOLDBOND GROUP HOLDINGS LIMITED

金榜集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 00172)

PRELIMINARY ANNOUNCEMENT OF THE FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015 FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The board of directors (the “Board”) of Goldbond Group Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2015 (the “Year”) together with comparative figures.

FINANCIAL HIGHLIGHTS			
	<u>2015</u>	<u>2014</u>	<u>Changes</u>
	<i>HK\$'000</i>	<i>HK\$'000</i>	
Proposed dividend per share for the year	HK1.5 cents	HK1.5 cents	–
OPERATING RESULTS			
Continuing Operations			
Revenue	67,270	64,346	5%
Profit for the year from continuing operations	118,209	97,685	21%
Profit for the year attributable to owners of the Company	118,209	135,668	(13)%
Basic earnings per share from continuing operations	HK 4.31 cents	HK 3.56 cents	21%
Basic earnings per share from continuing and discontinued operations	HK 4.31 cents	HK 4.94 cents	(13)%
FINANCIAL POSITION			
Equity attributable to owners of the Company	2,333,310	2,252,315	4%

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2015

		2015	2014
	<i>Notes</i>	<u>HK\$'000</u>	<u>HK\$'000</u>
Continuing operations			
Revenue	3	67,270	64,346
Other income		14,519	15,907
Staff costs		(28,115)	(28,597)
Other operating expenses		(29,879)	(26,544)
Reversal of impairment loss on loans receivable		–	29,329
Change in fair values of financial liabilities		(27,750)	(9,967)
Direct finance costs		(2,000)	–
Other finance costs		(547)	(476)
Share of profit of joint ventures		123,753	53,024
		<hr/>	<hr/>
Profit before taxation	5	117,251	97,022
Taxation	6	958	663
		<hr/>	<hr/>
Profit for the year from continuing operations		118,209	97,685
Discontinued operations			
Profit for the year from discontinued operations	7	–	47,188
		<hr/>	<hr/>
Profit for the year		118,209	144,873
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Exchange differences arising on translation		–	28,726
Share of other comprehensive income of joint ventures		–	14,904
		<hr/>	<hr/>
Other comprehensive income for the year		–	43,630
		<hr/>	<hr/>
Total comprehensive income for the year		118,209	188,503
		<hr/> <hr/>	<hr/> <hr/>

	<i>Note</i>	<u>2015</u> <i>HK\$'000</i>	<u>2014</u> <i>HK\$'000</i>
Profit for the year attributable to:			
Owners of the Company		118,209	135,668
Non-controlling interests		–	9,205
		<u>118,209</u>	<u>144,873</u>
 Total comprehensive income for the year attributable to:			
Owners of the Company		118,209	173,625
Non-controlling interests		–	14,878
		<u>118,209</u>	<u>188,503</u>
 Earnings per share	<i>10</i>		
From continuing and discontinued operations			
– Basic		HK 4.31 cents	HK 4.94 cents
– Diluted		HK 4.29 cents	HK 4.94 cents
		<u>HK 4.31 cents</u>	<u>HK 4.94 cents</u>
 From continuing operations			
– Basic		HK 4.31 cents	HK 3.56 cents
– Diluted		HK 4.29 cents	HK 3.55 cents
		<u>HK 4.31 cents</u>	<u>HK 3.56 cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

		<u>2015</u>	<u>2014</u>
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Equipment		4,520	3,101
Interests in joint ventures		1,606,016	1,482,263
Loan to a joint venture		–	466,588
Club debentures		18,639	18,639
Deferred tax asset		7,780	3,212
		<u>1,636,955</u>	<u>1,973,803</u>
Current assets			
Loan to a joint venture		510,600	–
Advances provided to customers	<i>11</i>	269,887	116,804
Prepayments, deposits and other receivables		3,741	5,001
Short term bank deposits			
– with original maturity within three months		72,151	229,578
– with original maturity more than three months		240,415	102,992
Bank balances and cash		8,342	182,308
		<u>1,105,136</u>	<u>636,683</u>
Current liabilities			
Other payables and accrued charges		22,496	34,569
Taxation		2,758	650
Bank borrowing		32,278	–
Liabilities under shareholders' agreements		347,052	3,606
		<u>404,584</u>	<u>38,825</u>
Net current assets		<u>700,552</u>	<u>597,858</u>
Total assets less current liabilities		<u><u>2,337,507</u></u>	<u><u>2,571,661</u></u>

	<u>2015</u>	<u>2014</u>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Capital and reserves		
Share capital	822,433	822,433
Reserves	1,510,877	1,429,882
Total equity	2,333,310	2,252,315
Non-current liabilities		
Liabilities under shareholders' agreements	–	315,696
Redeemable convertible preference shares	4,197	3,650
	4,197	319,346
	2,337,507	2,571,661

Notes:

1. BASIS OF PREPARATION

The financial results have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKAS”) and Interpretations (“INT”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and the Hong Kong Companies Ordinance. The financial results also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

Scope of work of Messrs. Deloitte Touche Tohmatsu

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2015 as set out in this preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this preliminary announcement.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

Application of new and revised HKFRSs

In the current year, the Group has applied a number of revised HKFRSs and amendments to HKFRSs issued by the HKICPA that are mandatorily effective for 2015 financial year end.

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

New and revised HKFRSs in issue but not yet effective

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

HKFRS 9	Financial instruments ¹
HKFRS 15	Revenue from contracts with customers ²
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations ⁴
Amendments to HKAS 1	Disclosure initiative ⁴
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation ⁴
Amendments to HKAS 27	Equity method in separate financial statements ⁴
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ⁴
Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle ⁵
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle ³
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle ⁴

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for annual periods beginning on or after 1 January 2017

³ Effective for annual periods beginning on or after 1 July 2014

⁴ Effective for annual periods beginning on or after 1 January 2016

⁵ Effective for annual periods beginning on or after 1 July 2014, with limited exceptions

HKFRS 15 Revenue from contracts with customers

In July 2014, HKFRS 15 was issued which established a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future will not have a material impact on the amounts reported and disclosures made in the consolidated financial statements.

The application of the other new and revised HKFRSs is not expected to have a material impact on the Group's consolidated financial statements.

3. REVENUE

Revenue for the year from continuing operations represents income received and receivable from the provision of financing service and factoring service. It also represents the turnover of the Group.

	<u>2015</u>	<u>2014</u>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Financing service income	55,471	64,346
Factoring service income	11,799	–
	<u>67,270</u>	<u>64,346</u>

4. SEGMENT INFORMATION

The Group's operating segments, identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess performance, are summarised as follows:

- (a) financing service segment: provision of financing services through subsidiaries and provision of financing services and loan guarantee services through a joint venture;
- (b) factoring service segment: provision of factoring services; and
- (c) financial leasing service segment: provision of financial leasing services through a joint venture.

The segment information in respect of continuing operations is reported below.

Segment revenue and results

An analysis of the Group's revenue and results from continuing operations by reportable and operating segments is as follows:

For the year ended 31 March 2015

Continuing operations

	Financing service HK\$'000	Factoring service HK\$'000 (Note)	Financial leasing service HK\$'000	Total HK\$'000
Revenue from customers	55,471	11,799	–	67,270
Share of profit of joint ventures	92,325	–	31,428	123,753
	<u>147,796</u>	<u>11,799</u>	<u>31,428</u>	<u>191,023</u>
Segment results	<u>123,313</u>	<u>8,292</u>	<u>31,428</u>	163,033
Unallocated other income				13,328
Change in fair values of financial liabilities				(27,750)
Central administration costs				(30,813)
Other finance costs				(547)
Profit before taxation (continuing operations)				<u>117,251</u>

For the year ended 31 March 2014

Continuing operations

	Financing service HK\$'000	Factoring service HK\$'000 (Note)	Financial leasing service HK\$'000	Total HK\$'000
Revenue from customers	64,346	–	–	64,346
Share of profit of joint ventures	28,185	–	24,839	53,024
	<u>92,531</u>	<u>–</u>	<u>24,839</u>	<u>117,370</u>
Segment results	<u>76,734</u>	<u>–</u>	<u>24,839</u>	101,573
Unallocated other income				15,353
Reversal of impairment loss on loans receivable				29,329
Change in fair values of financial liabilities				(9,967)
Central administration costs				(34,215)
Net exchange loss				(4,575)
Other finance costs				(476)
Profit before taxation (continuing operations)				<u>97,022</u>

Segment results represent the profit earned by each segment and share of profit of joint ventures without allocation of central administration costs, other income (primarily bank interest income), reversal of impairment loss on loans receivable, change in fair values of financial liabilities, net exchange loss and other finance costs. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

Note: Included in segment results are direct finance costs of HK\$2,000,000 (2014: nil) attributable to the factoring service business.

Segment assets and liabilities

An analysis of the Group's assets and liabilities by reportable segments is as follows:

As at 31 March 2015

	Financing service HK\$'000	Factoring service HK\$'000	Financial leasing service HK\$'000	Total HK\$'000
Assets				
Segment assets	<u>1,915,065</u>	<u>151,970</u>	<u>321,064</u>	<u>2,388,099</u>
Unallocated assets				<u>353,992</u>
Total assets				<u><u>2,742,091</u></u>
Liabilities				
Segment liabilities	<u>153</u>	<u>32,502</u>	<u>–</u>	<u>32,655</u>
Unallocated liabilities				<u>376,126</u>
Total liabilities				<u><u>408,781</u></u>

As at 31 March 2014

	Financing service HK\$'000	Factoring service HK\$'000	Financial leasing service HK\$'000	Total HK\$'000
Assets				
Segment assets	<u>1,778,301</u>	<u>–</u>	<u>289,636</u>	<u>2,067,937</u>
Unallocated assets				<u>542,549</u>
Total assets				<u><u>2,610,486</u></u>
Liabilities				
Segment liabilities	<u>846</u>	<u>–</u>	<u>–</u>	<u>846</u>
Unallocated liabilities				<u>357,325</u>
Total liabilities				<u><u>358,171</u></u>

For the purposes of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments other than club debentures, deferred tax asset, short term bank deposits, bank balances and cash, and certain corporate assets for central administrative uses. All liabilities are allocated to reportable segments other than taxation payable, liabilities under shareholders' agreements, redeemable convertible preference shares and certain corporate liabilities incurred for central administrative purpose.

Other segment information

An analysis of the Group's other amounts included in the measure of segment profit or loss or segment assets by reportable segments is as follows:

For the year ended 31 March 2015

	Financing service HK\$'000	Factoring service HK\$'000	Financial leasing service HK\$'000	Unallocated HK\$'000	Total HK\$'000
Expenditure for reportable segment non-current assets	5	424	–	2,362	2,791
Impairment losses on advances provided to customers	18,271	–	–	–	18,271
Depreciation of equipment	159	383	–	810	1,352
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

For the year ended 31 March 2014

	Financing service HK\$'000	Factoring service HK\$'000	Financial leasing service HK\$'000	Unallocated HK\$'000	Total HK\$'000
Expenditure for reportable segment non-current assets	24	1,051	–	1,121	2,196
Impairment loss on advances provided to customers	12,847	–	–	–	12,847
Depreciation of equipment	153	5	–	623	781
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5. PROFIT BEFORE TAXATION

Continuing operations

	<u>2015</u>	<u>2014</u>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before taxation has been arrived at after charging:		
Salaries, allowances and other benefits	23,561	24,683
Retirement benefit scheme contributions	593	177
Equity-settled share-based payment expenses	3,961	3,737
	<hr/>	<hr/>
Total staff costs (including directors' remuneration)	28,115	28,597
	<hr/>	<hr/>
Impairment losses on advances provided to customers	18,271	12,847
Auditor's remuneration	974	1,023
Depreciation of equipment	1,352	781
Operating lease rentals in respect of properties	3,486	2,635
Net exchange loss (included in other operating expenses)	–	4,575
	<hr/>	<hr/>
and after crediting:		
Interest income from bank deposits (included in other income)	13,328	15,353
Gain on disposal of equipment (included in other income)	380	254
	<hr/> <hr/>	<hr/> <hr/>

6. TAXATION

Continuing operations

	<u>2015</u>	<u>2014</u>
	<i>HK\$'000</i>	<i>HK\$'000</i>
The charge (credit) comprises:		
Current tax		
Enterprise Income Tax in the Peoples' Republic of China ("China")		
– Provision for the current year	3,511	2,108
– Underprovision in prior year	99	441
	<hr/>	<hr/>
	3,610	2,549
Deferred taxation	(4,568)	(3,212)
	<hr/>	<hr/>
	(958)	(663)
	<hr/> <hr/>	<hr/> <hr/>

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group's operation in Hong Kong had no assessable income during both years.

Under the Enterprise Income Tax Law of China (the "EIT Law") and the Implementation Regulation of the EIT Law, all subsidiaries in China are subject to the tax rate of 25% during both years.

7. DISCONTINUED OPERATIONS

On 2 May 2013, Rongzhong Capital Holdings Limited (“Rongzhong Capital”), entered into the subscription agreement with the subscribers, pursuant to which the subscribers conditionally agreed to subscribe for and Rongzhong Capital conditionally agreed to allot and issue the subscription shares, being 4,422 Rongzhong Capital’s new shares, at an aggregate consideration of US\$3.0 million (equivalent to approximately HK\$23.4 million).

Details of the subscription were disclosed in the circular dated 24 May 2013 issued by the Company.

On 21 June 2013, upon completion of the above transaction, the Company’s equity interest in Rongzhong Capital and its subsidiaries (collectively the “Disposal Group”) was reduced to approximately 47.94% and Rongzhong Capital was ceased to be a subsidiary of the Company. The financial results and position of the Disposal Group were deconsolidated from, and accounted for as a joint venture using equity method in the consolidated financial statements of the Group thereafter.

The operations regarding financial leasing and financing services carried out by the Disposal Group had been treated as discontinued operations.

Profit for the year from discontinued operations

	For the period from 1 April 2013 to 21 June 2013
	<u>HK\$’000</u>
Revenue	51,093
Other income	39
Staff costs	(626)
Other operating expenses	(909)
Finance costs	(24,918)
	<hr/>
Profit before taxation	24,679
Taxation	(6,249)
	<hr/>
Profit from financial leasing and financing service operations	18,430
Gain on deemed disposal of subsidiaries (<i>Note 8</i>)	28,758
	<hr/>
Profit for the year from discontinued operations	<u>47,188</u>
	<hr/>
Profit for the year from discontinued operations attributable to:	
Owners of the Company (<i>Note 10</i>)	37,983
Non-controlling interests	9,205
	<hr/>
	<u>47,188</u>
	<hr/>
Profit for the year from discontinued operations included the following:	
Interest on bank borrowings	18,420
Auditor’s remuneration	100
Directors’ remuneration	–
Depreciation of equipment	142
Interest income from bank deposits	(39)
Operating lease rentals in respect of properties	155
Net exchange loss	82
	<hr/>

Cash flows from discontinued operations

	For the period from 1 April 2013 to 21 June 2013
	<u>HK\$'000</u>
Net cash from operating activities	95,568
Net cash used in investing activities	(69)
Net cash used in financing activities	<u>(120,070)</u>
Net cash outflows	<u><u>(24,571)</u></u>

8. DEEMED DISPOSAL OF SUBSIDIARIES

On 21 June 2013, the Group disposed of the Disposal Group which carried out the financial leasing service and financing service businesses.

	21 June 2013
	<u>HK\$'000</u>
Equipment	618
Loan to a joint venture	177,532
Amount due from a joint venture	709
Finance leases receivable	1,653,485
Prepayments, deposits and other receivables	9,103
Security deposits	2,707
Bank balances and cash	<u>10,164</u>
Assets disposed of	<u>1,854,318</u>
Other payables and accrued charges	7,679
Deposits from finance lease customers	388,331
Deferred income	39,589
Taxation	2,184
Bank borrowings	<u>944,817</u>
Liabilities disposed of	<u>1,382,600</u>
Net assets disposed of	<u><u>471,718</u></u>

Gain on deemed disposal of subsidiaries

	21 June 2013
	<u>HK\$'000</u>
Interest in a joint venture	264,877
Net assets disposed of	(471,718)
Non-controlling interests	<u>235,599</u>
Gain on deemed disposal (<i>Note 7</i>)	<u><u>28,758</u></u>

The gain on deemed disposal is included in the profit for the year from discontinued operations in the consolidated statement of profit or loss and other comprehensive income (*Note 7*).

Net cash outflow on deemed disposal of subsidiaries

	21 June 2013
	<u>HK\$'000</u>
Consideration received in cash and cash equivalents	–
Less: cash and cash equivalent balances disposed of	<u>(10,164)</u>
	<u>(10,164)</u>

9. DIVIDENDS

	2015	2014
	<u>HK\$'000</u>	<u>HK\$'000</u>
Dividends recognised as distribution and paid during the year:		
Final dividends of HK1.5 cents per share in respect of the year ended 31 March 2014 (2014: In respect of the year ended 31 March 2013 of HK1.5 cents per share)	<u>41,175</u>	<u>41,175</u>

Subsequent to the end of the reporting period, a final dividend of HK1.5 cents (2014: HK1.5 cents) per share has been proposed by the Board and is subject to approval by the shareholders in the forthcoming annual general meeting of the Company.

10. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to the owners of the Company was based on the following data:

	2015	2014
	<u>HK\$'000</u>	<u>HK\$'000</u>
Earnings:		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	<u>118,209</u>	<u>135,668</u>
	'000	'000
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	2,745,013	2,745,013
Effect of dilutive potential ordinary shares:		
Share options	<u>8,706</u>	<u>3,372</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>2,753,719</u>	<u>2,748,385</u>

From continuing operations

The calculation of basic and diluted earnings per share from continuing operations attributable to the owners of the Company was based on the following data:

	<u>2015</u>	<u>2014</u>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Earnings figures are calculated as follows:		
Profit for the year attributable to owners of the Company	118,209	135,668
Less: Profit for the year from discontinued operations attributable to owners of the Company (<i>Note 7</i>)	–	(37,983)
Earnings for the purpose of basic and diluted earnings per share from continuing operations	<u>118,209</u>	<u>97,685</u>

The denominators used are the same as those detailed above for both basic and diluted earnings per share from continuing and discontinued operations.

From discontinued operations

For the year ended 31 March 2014, basic and diluted earnings per share for discontinued operations was HK1.38 cents per share, based on the profit for the year from discontinued operations attributable to owners of the Company of HK\$37,983,000 and the denominators detailed above for both basic and diluted earnings per share.

11. ADVANCES PROVIDED TO CUSTOMERS

	<u>2015</u>	<u>2014</u>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Advances provided to customers	301,005	129,651
Less: Impairment allowances	(31,118)	(12,847)
	<u>269,887</u>	<u>116,804</u>

As at 31 March 2015, the advances provided to customers, which bore fixed coupon interest at a rate of not more than 16.8% per annum, were repayable according to the loan agreements and factoring facility agreements. The balances were secured by assets such as properties, bank's acceptance bills, and equity interests in certain private entities in China where applicable.

12. EVENT AFTER THE REPORTING PERIOD

On 22 May 2015, Evergold Global Company Limited (“Evergold Global”) and Gold Magic Global Limited (“Gold Magic”), (each a wholly owned subsidiary of the Company) have entered into the shareholders agreements (“Shareholders Agreements”) in relation to the establishment of a real estate investment fund and a fund manager company.

The Shareholders Agreements and the transactions contemplated thereunder constitute discloseable and connected transactions for the Company, and are subject to the approval of the independent shareholders at the general meeting of the Company.

The proposed investment amount by the Group into the manager of the fund was US\$196,000 (equivalent to approximately HK\$1,528,800).

Pursuant to the shareholders agreement in relation to the establishment of a real estate investment fund (“Fund Shareholders Agreement”), Gold Magic will be under unconditional commitment to contribute a maximum of US\$15.92 million (equivalent to approximately HK\$124.18 million) (“Maximum Subscription Commitment”) to the capital of the fund and such contribution shall be made from time to time during the term of the fund. Prior to the date falling on the second anniversary of the completion date of the Fund Shareholders Agreement, Gold Magic may be called upon to subscribe for the shares in the fund up to the Maximum Subscription Commitment.

After the date falling on the second anniversary of the completion date of the Fund Shareholders Agreement, Gold Magic shall no longer be under any obligation to subscribe for the shares in the fund except for the completion of investments committed to by the fund prior to such date, completion of follow-on investments (such follow-on investments shall not exceed 10% of the Maximum Subscription Commitment), payment of expenses or payment of fees to the manager of the fund.

The Company intends to finance Gold Magic and Evergold Global's commitment by way of its internal resources in forms of short term bank deposits and bank balances.

The manager and the fund are expected to be accounted for as a joint venture and an associate, respectively in the books of the Company.

Details of Shareholders Agreements and the transactions contemplated thereunder are set out in the announcement of the Company dated 22 May 2015.

BUSINESS REVIEW AND OUTLOOK

BUSINESS REVIEW

The Group principally engages in the provision of non-bank financial services to small and medium sized enterprises ("SMEs") in China. The Group together with its joint ventures offer wide spectrum of services including financing, financial leasing and factoring services.

Financing

– Small loan financing

In view of the large demand for financing channels from SMEs, the Group established a small loan lending platform in Yancheng, Jiangsu Province, China ("Yancheng"). The Group had a competitive advantage in both operational scale and flexibility to cater different financing needs of SMEs, as the approved registered capital of our operating entity, which directly related to the total capital available for granting loans and the maximum size of individual loan, amounted to US\$30 million.

The comprehensive products range and transparent and efficient loan approval process appeal to SMEs. However, due to continuingly sluggish macro-economy, SMEs in Yancheng continued to face constant pressure from deteriorating business environments, insufficient market demands, intensified competitions and difficult financing situations. Coupled with high capital leverage, some of the SMEs became vulnerable to external economic fluctuations. In view of the changes in external environment, the Group timely adjusted its operating strategy. Over the past one year, the Group prudently promoted the small loan financing business among high quality customers for stable return and ensure that the newly released loans were effectively safeguarded. As a result, the average interest rate of our loan portfolio and the revenue from the small loan financing business decreased. The income from small loan financing for the Year was HK\$8.5 million, and representing a decrease of 44% from previous year.

– Loan to Rongzhong Group Limited ("Rongzhong Group")

The Group granted a revolving loan facility to Rongzhong Group for the development of its financing service business in China and details of the loan were disclosed in the circular of the Company dated 23 September 2011. As at 31 March 2015, the loan to Rongzhong Group with carrying value of HK\$510.6 million (2014: HK\$466.6 million), bearing a fixed interest rate of 5% per annum, was unsecured. The interest income realised from the loans was HK\$47.0 million, slightly decreased by HK\$2.3 million compared with that of the year ending 31 March 2014.

– Interests in joint ventures: Rongzhong Group

Rongzhong Group and its subsidiaries (“Rongzhong Group Companies”) engage principally in the business of financing, loan guarantee and financial consulting services in China. With business operation for more than one decade, Rongzhong Group Companies have developed strong and cohesive business relationship with numerous SMEs and banks in China. Rongzhong Group Companies achieved healthy growth in its results with the increase in revenue. The revenue and profit of Rongzhong Group Companies for the Year was HK\$824.1 million and HK\$237.7 million, respectively (2014: HK\$558.7 million and HK\$89.0 million, respectively). The share of profit of Rongzhong Group for the Year was HK\$92.3 million, representing an increase of HK\$64.1 million or 228% from previous year.

Financial leasing

– Interests in joint ventures: Rongzhong Capital

Rongzhong Capital and its subsidiaries (“Rongzhong Capital Group”) engage in the business of provision of financial leasing services, such as direct leasing, sales and leaseback, leveraged leasing, lease with buy-back undertaking and other related consultancy services to SMEs over various provinces and cities in China.

In June 2013, our equity interest in Rongzhong Capital was diluted to approximately 47.94% as a result of by Rongzhong Capital’s issuance of new shares to key management. Rongzhong Capital was then accounted for as a joint venture using equity method in the consolidated financial statements and its performance was separately disclosed in the notes to the consolidated financial statements.

The revenue and profit of Rongzhong Capital Group for the Year was HK\$226.9 million and HK\$65.6 million, respectively (corresponding year from the date of Completion (as defined below) to 31 March 2014: HK\$169.3 million and HK\$51.8 million, respectively). As a result, we shared HK\$31.4 million (corresponding year from the date of Completion to 31 March 2014: HK\$24.8 million) of the profit of Rongzhong Capital for the Year.

Rongzhong Capital is considering the possibility of a potential capital markets/fund raising exercise.

Factoring

During the Year, we established our factoring headquarters in Nanjing, Jiangsu Province, China with the approval from Ministry of Commerce of China. The operating vehicle, with registered capital of RMB50 million, is authorised to offer factoring and related advisory services in all parts of China. During the Year, the factoring service segment achieved satisfactory growth, recorded total advances provided to customers of HK\$151.9 million as at 31 March 2015 and realised revenue of HK\$11.8 million, accounted for 18% of the total revenue. The revenue source of the Group became more diversified and the Group has stronger capability to resist fluctuation in single product market.

FINANCIAL REVIEW

Revenue

The Group realised revenue for the Year of HK\$67.3 million, representing a growth of 5% from HK\$64.3 million as recorded in the previous year. The income from the financing segment was HK\$55.5 million, accounted for 82% of the total revenue, and representing a decrease of 14% from previous year. This was mainly due to the Group prudently promoting lower margin loans among high quality customers for stable return and better safeguard of asset as the China economy slows down. During the Year, the Group proactively promoted factoring business and realised revenue of HK\$11.8 million for the Year, accounted for 18% of the total revenue.

Staff costs

Staff costs of the Group amounted to HK\$28.1 million, which decreased by HK\$0.5 million or 2% compared to previous year. Such decrease is mainly attributable to the decrease in the performance related bonuses, which was partially offset by the increase in the headcount of full-time staffs.

Other operating expenses

Other operating expenses were HK\$29.9 million, which increased by HK\$3.3 million or 13% compared to previous year. The increase in other operating expenses was mainly due to (i) the increase in provision for bad debts of HK\$5.4 million and (ii) the increase in office expenses resulting from establishment of factoring headquarters (rental expenses and depreciation expenses of office equipment the Group for the Year amounted to HK\$4.8 million, representing an increase of HK\$1.4 million from previous year), which was partially offset by the decrease in exchange loss arising on the translation of non-Renminbi denominated net asset.

– Impairment loss on advances provided to customers

The impairment on advances provided to customers of the Group was HK\$18.3 million, which increased by HK\$5.4 million or 42% from the previous year. This was primarily due to some of the debtors default or delinquency in interest or principal payments which indicating that there is a measurable decrease in the estimated future cash flows.

Direct finance costs

Direct finance costs were HK\$2.0 million, which represented the interest expenses for bank loans raised for the factoring business.

Share of profit of joint ventures

Share of profit composed of share of profit of the Company's 47.94% owned joint venture – Rongzhong Capital and 40% owned joint venture – Rongzhong Group. Share of profit of joint ventures for the Year amounted to HK\$123.8 million, representing a growth of 133% from HK\$53.0 million as recorded in the previous year.

Profit for the year from discontinued operations

On 21 June 2013, Rongzhong Capital completed an issuance of new shares to its key management (“Completion”), details of which were set out in the circular of the Company dated 24 May 2013. Upon Completion, the Company’s equity interest in Rongzhong Capital was reduced to approximately 47.94%, and Rongzhong Capital ceased to be a subsidiary of the Company. The consolidated financial results and position of Rongzhong Capital Group were deconsolidated from, and then accounted for as a joint venture using equity method in the consolidated financial statements of the Group thereafter.

As a result of the share issuance, the Group recognised a non-recurring profit from discontinued operations of HK\$47.2 million for the year ended 31 March 2014, which composed of profit from financial leasing and financing operations of Rongzhong Capital Group prior to the date of Completion of HK\$18.4 million and gain on deemed disposal of subsidiaries of HK\$28.8 million.

Profit for the year attributable to the owners of the company

Based on the above discussion and analysis, together with a negative financial impact on the change in fair value of financial liabilities arising from shareholders’ agreements of joint ventures of HK\$27.8 million (2014: HK\$10.0 million), profit for the Year attributable to the owners of the Company was HK\$118.2 million, which decreased by HK\$17.5 million or 13% from the previous year. Excluding the effect of last year’s reversal of impairment loss on loans receivable of HK\$29.3 million and non-recurring gain on deemed disposal of subsidiaries of HK\$28.8 million, profit for the Year attributable to the owners of the Company increased by HK\$40.6 million or 52%, reflecting a good improvement in performance of the Group.

Dividend

The Board has proposed a final dividend of HK1.5 cents per share in respect of the results for the Year (2014: HK1.5 cents per share). The ratio of dividend to profit for the Year attributable to the owners of the Company for the Year was 35% (2014: 30%) based on the issued share capital as at 31 March 2015. Subject to the approval of the shareholders at the forthcoming annual general meeting of the Company to be held on 26 August 2015 (the “2015 AGM”), the final dividend will be distributed on or about 16 September 2015 to shareholders whose names appear on the Register of Members of the Company as at the close of business on 4 September 2015.

Liquidity, financial resources and capital structure

The Group always maintains healthy liquid position and sufficient capital for business development. The Group generally financed its operations through its internal resources and bank facilities provided by banks. As at 31 March 2015, the aggregate sum of cash, bank balances and short term bank deposits amounted to HK\$320.9 million (2014: HK\$514.9 million). The working capital (current assets less current liabilities) and the total equity of the Group were HK\$700.6 million (2014: HK\$597.9 million) and HK\$2,333.3 million (2014: HK\$2,252.3 million) respectively.

As at 31 March 2015, the Group’s short-term bank borrowing was HK\$32.3 million (2014: nil), which was mainly used to support the expansion of the factoring service business in China. It carried fixed interest rate of 6% per annum. The bank borrowing was denominated in Renminbi which was the functional currency of the relevant operating entity. The Group has not entered into any hedging instruments to reduce interest rate risk exposure.

KEY FINANCIAL RATIO

Net asset value per share

	2015	2014
Net asset value per share (HK cents)	85.0	82.1

Our net asset value per share increased from 2014 to 2015 mainly as a result of the continued growth of our business and profit.

Gearing ratio

	2015	2014
Gearing Ratio ⁽¹⁾	1.4%	–

⁽¹⁾ Gearing Ratio = total bank borrowings/total equity

During the Year, the Group made use of capital leverage for our factoring operations while at the same time closely managed the Group's gearing ratio to avoid potential liquidity risk. As at 31 March 2015, the gearing ratio, which was maintained at a healthy level of 1.4%.

Charges on group assets

As at 31 March 2015, there was no charge on the Group's assets.

Exposure to fluctuations in exchange rates

The Group reports its operating result in Hong Kong dollar but major operations of the Group are carried out in China, transacted and recorded in Renminbi with some monetary assets and liabilities denominated in other foreign currencies. The Group is, thus, exposed to the fluctuation in exchange rates between Renminbi, Hong Kong dollar and other currencies. At present, the Group has not entered into any hedging or other instrument to reduce currency risks. However, the management will closely monitor the Group's exposure to the fluctuation of exchange rates and take appropriate measures as necessary to minimise any adverse impact that may be caused by such fluctuation.

Contingent liabilities

The Company had given a guarantee to 47.94% for the loan facilities granted by a bank to a joint venture of the Group. As at 31 March 2015, the banking facilities utilised by the relevant joint venture amounted to RMB45.2 million (equivalent to approximately HK\$57.2 million), which decreased by RMB37.4 million (equivalent to approximately HK\$47.3 million) from previous year due to partial repayment.

OUTLOOK

In the year to come, China's economic growth is likely to decelerate from its high pace as a result of implementation of reform measures. Certain SMEs will continue to face pressure on liquidity with the tightening of credit policies by suppliers and difficulties in collecting receivables. However, the benefits of reform measures are likely to emerge in the future, and provide business opportunities for the SMEs in a more stable and healthy environment. With opportunities and challenges, the Group will strive to enhance asset security, financial service capability and resources allocation capability in order to improve profitability, facilitate healthy development of the Group and create greater value for all shareholders.

As the global economy continues to improve, especially in the more developed countries like the United States of America, the Company intends to establish and participate in a real estate fund so as to capture and benefit from the opportunities in the recovering real estate markets in those countries. Apart from solely investing into the real estate fund, the Company also intends to hold a significant interest in the manager of the fund in order to ensure proper implementation of the investment strategies and benefit from the long term economic interest generated (by way of management fees and performance fees) by, and equity value created in respect of, the manager in the event that the fund continues to generate favorable returns.

The Company believes that by participating in the fund and holding a significant interest in the manager of the fund, the Company could diversify its profit stream, take advantage of real estate growth opportunities in geographically diverse developed economies with satisfactory capital gain and/or income producing potential, optimise the treasury, broaden its investment scope, and further enhance its strategic position.

Employees and remuneration policy

As at 31 March 2015, the Group had 33 staff located in both Hong Kong and China. The Group remunerates these employees based on their performance, experience and prevailing industry practices. Other benefits offered to these employees include medical insurance, retirement scheme and training subsidies. In addition, the Group has set up a share option scheme for the purpose of providing incentives to the eligible employees.

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

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the Year.

REVIEW OF 2014/15 CONSOLIDATED FINANCIAL STATEMENTS

The audit committee of the Company reviewed the consolidated financial statements of the Group for the Year.

CORPORATE GOVERNANCE

Save as disclosed below, the Company has applied the principles and complied with all code provisions of the Corporate Governance Code ("CG Code") during the Year as set out in Appendix 14 to the Listing Rules. In respect of code provision E.1.2 of the CG Code, the Company's Chairman was unable to attend the annual general meeting of the Company held on 26 August 2014 due to other prior business engagement.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. The Company, having made specific enquiry of all Directors, confirmed that all Directors have complied with the required standard of dealings set out therein throughout the Year.

ANNUAL GENERAL MEETING

The 2015 AGM will be held on Wednesday, 26 August 2015. The notice of the 2015 AGM will be published on the websites of the Stock Exchange and the Company and sent to the shareholders of the Company (the “Shareholders”), together with the Company’s 2014/15 Annual Report, in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining Shareholders’ eligibility to attend and vote at the 2015 AGM, and entitlement to the final dividend, the register of members of the Company will be closed as set out below:

- (i) For determining Shareholders’ eligibility to attend and vote at 2015 AGM:

Latest time to lodge transfer documents for registration	4:30 p.m. on Thursday, 20 August 2015
Closure of register of members	Friday 21 August 2015 to Wednesday, 26 August 2015 (both dates inclusive)
Record date	Wednesday, 26 August 2015

- (ii) For determining Shareholders’ entitlement to final dividend

Latest time to lodge transfers documents for registration	4:30 p.m. on Monday, 31 August 2015
Closure of register of members	Tuesday, 1 September 2015 to Friday, 4 September 2015 (both dates inclusive)
Record date	Friday 4 September 2015

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the 2015 AGM, and to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than the aforementioned latest time.

By order of the Board
Goldbond Group Holdings Limited
Mr. Ding Chung Keung
Chief Executive Officer

Hong Kong, 17 June 2015

As at the date of this announcement, the Board comprises Mr. Wang Jun, Mr. Wong Yu Lung, Charles, Mr. Ding Chung Keung and Ms. Wong, Michelle Yatyee (all being executive directors of the Company), Mr. Ma Ho Fai SBS JP, Mr. Cheng Yuk Wo and Mr. Ng Chi Keung MH (all being independent non-executive directors of the Company).