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 2013 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 2013 (the "Year") together with comparative figures.

FINANCIAL HIGHLIGHTS

	2013	2012	Changes
	HK$'000	*HK$'000*	
Proposed dividend per share for the year	**HK1.5 cents**	–	N/A
OPERATING RESULTS			
Continuing Operations			
Revenue	**237,526**	124,836	90%
Profit (loss) for the year from continuing operations	**153,368**	(49,988)	407%
Profit for the year attributable to owners of the Company*	**119,884**	500,813	(76)%
Total comprehensive income for the year attributable to owners of the Company*	**119,898**	549,960	(78)%
Basic earnings (loss) per share from continuing operations	**HK4.37 cents**	HK(2.24) cents	295%
Basic earnings per share from continuing and discontinued operations*	**HK4.37 cents**	HK18.15 cents	(76)%
FINANCIAL POSITION			
Total assets	**4,107,193**	3,593,162	14%
Short term bank deposits and bank balances and cash	**591,835**	591,182	0%
Net assets	**2,336,849**	2,178,279	7%

* Decrease was mainly attributed to the absence of non-recurring gain on disposal of subsidiaries recognised in the previous financial year.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013

	Notes	2013 HK$'000	2012 HK$'000
Continuing operations			
Revenue	3	**237,526**	124,836
Other income		**15,709**	7,374
Staff costs		**(26,990)**	(28,949)
Other operating expenses		**(17,207)**	(35,536)
Adjustment to the carrying amount of a loan to a jointly controlled entity		**(39,506)**	–
Impairment loss on loans receivable		**–**	(60,782)
Change in fair values of financial liabilities		**10,071**	(5,715)
Direct finance costs	5	**(85,562)**	(58,133)
Other finance costs	6	**(414)**	(360)
Share of profit of a jointly controlled entity		**81,962**	16,056
Profit (loss) before taxation	7	**175,589**	(41,209)
Taxation	8	**(22,221)**	(8,779)
Profit (loss) for the year from continuing operations		**153,368**	(49,988)
Discontinued operations			
Profit for the year from discontinued operations	9	**–**	572,358
Profit for the year		**153,368**	522,370
Other comprehensive income			
Exchange differences arising on translation		**14**	55,342
Total comprehensive income for the year		**153,382**	577,712

	Notes	2013 HK$'000	2012 HK$'000
Profit for the year attributable to:			
Owners of the Company		**119,884**	500,813
Non-controlling interests		**33,484**	21,557
		153,368	522,370
Total comprehensive income for the year attributable to:			
Owners of the Company		**119,898**	549,960
Non-controlling interests		**33,484**	27,752
		153,382	577,712
Earnings (loss) per share	*12*		
From continuing and discontinued operations			
– Basic		**HK 4.37 cents**	HK 18.15 cents
– Diluted		**HK 4.36 cents**	N/A
From continuing operations			
– Basic		**HK 4.37 cents**	HK (2.24) cents
– Diluted		**HK 4.36 cents**	N/A

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2013

	Notes	2013 HK$'000	2012 HK$'000
Non-current assets			
Equipment		**2,255**	2,184
Interest in a jointly controlled entity		**1,149,458**	1,067,496
Loan to a jointly controlled entity		**424,171**	671,515
Finance leases receivable	*13*	**982,322**	689,796
Club debentures		**18,179**	18,179
		2,576,385	2,449,170
Current assets			
Loans to a jointly controlled entity		**248,334**	–
Amount due from a jointly controlled entity		**388**	542
Finance leases receivable	*13*	**661,100**	525,662
Prepayments, deposits and other receivables		**11,316**	7,176
Security deposits		**17,835**	19,430
Short term bank deposits			
– with original maturity within three months		**305,585**	494,813
– with original maturity more than three months		**251,813**	66,866
Bank balances and cash		**34,437**	29,503
		1,530,808	1,143,992
Current liabilities			
Other payables and accrued charges		**31,603**	32,559
Deposits from finance lease customers	*13*	**71,766**	43,552
Deferred income		**20,859**	14,048
Taxation		**889**	3,611
Bank borrowings		**457,606**	372,718
Liabilities under shareholders' agreements		**7,948**	5,583
		590,671	472,071
Net current assets		**940,137**	671,921
Total assets less current liabilities		**3,516,522**	3,121,091

	Notes	2013 HK$'000	2012 HK$'000
Capital and reserves			
Share capital		**274,501**	274,501
Reserves		**1,841,627**	1,716,541
Equity attributable to owners of the Company		**2,116,128**	1,991,042
Non-controlling interests		**220,721**	187,237
Total equity		**2,336,849**	2,178,279
Non-current liabilities			
Deposits from finance lease customers	*13*	**291,751**	182,641
Deferred income		**20,136**	19,917
Bank borrowings		**563,225**	423,671
Liabilities under shareholders' agreements		**301,387**	313,823
Redeemable convertible preference shares		**3,174**	2,760
		1,179,673	942,812
		3,516,522	3,121,091

Notes:

1. BASIS OF PREPARATION

The financial results have been prepared in accordance with Hong Kong Financial Reporting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKAS"s) and Interpretations ("INT"s) 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 comprehensive income and the related notes thereto for the year ended 31 March 2013 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

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA.

Amendments to HKFRS 7	Disclosures – Transfers of financial assets
Amendments to HKAS 12	Deferred tax – Recovery of underlying assets

The adoption of these amendments to HKFRSs in the current year has had no material effect on the consolidated financial statements disclosure.

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

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

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

HKFRS 9 Financial instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2011 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

HKFRS 9 requires all recognised financial assets that are within the scope of HKAS 39 "Financial instruments: Recognition and measurement" to be 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.

The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, 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 attributable to a financial liability's 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 at fair value through profit or loss was presented in profit or loss.

The directors are in the process of assessing the impact of adoption of HKFRS 9 in the consolidated financial statements for the financial year ending 31 March 2016 and are not yet practicable to provide a reasonable estimate of the impact until a detail 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 and HK (SIC) – INT 12 Consolidation – Special purpose entities". 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" and HK (SIC) – INT 13 "Jointly controlled entities – Non-monetary contributions by venturers". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. 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 accounting.

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. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The directors anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 April 2013. Upon adoption of these five standards, the Group's interest in a jointly controlled entity will be classified as joint venture in the consolidated financial statements, and will continue to be accounted for under the equity accounting method. Besides the aforementioned, the adoption of these five standards will not have significant impact on amounts reported in the consolidated financial statements.

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 anticipate that HKFRS 13 will be adopted in the Group's consolidated financial statements for the annual period beginning 1 April 2013 and that the application of the new standard will not have material impact on the amounts reported in the consolidated financial statements but will 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 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 additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are 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 to HKAS 1 are effective for annual periods beginning on or after 1 July 2013. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

Except as described above, the application of the other new and revised standards 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 financial leasing service in the People's Republic of China ("China") and financing service outside China. It also represents the turnover of the Group.

	2013	2012
	HK$'000	*HK$'000*
Financial leasing service income	**181,818**	100,112
Financing service income	**55,708**	24,724
	237,526	124,836

4. SEGMENT INFORMATION

The Group is currently organised into several operating divisions: financial leasing, financing and project financing and consultancy. For the purpose of resources allocation and performance assessment, financial information relating to these operations is reported internally and is regularly reviewed by the Chief Executive Officer, being the chief operating decision maker, based on the following divisions, which constitute separate operating and reportable segments for financial reporting purposes:

(a) Provision of financial leasing service; and

(b) Provision of financing service including financing, project financing and consultancy service.

Operations regarding financing (previously part of the financing service segment) and provision of loan guarantee service (previously a separate reportable segment) were discontinued during the prior year, and are described in more details in Note 9. The segment information in respect of continuing operations is reported below.

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

For the year ended 31 March 2013

Continuing operations

	Financial leasing service	**Financing service**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
	(Note a)	*(Note b)*	
Revenue from customers *(Note c)*	**181,818**	**55,708**	**237,526**
Segment results	**83,878**	**16,202**	**100,080**
Investment income			**15,252**
Change in fair values of financial liabilities			**10,071**
Unallocated corporate income and expenses:			
– other administrative income and expenses			**(31,422)**
– net exchange gain			**60**
Other finance costs			**(414)**
Share of profit of a jointly controlled entity			**81,962**
Profit before taxation (continuing operations)			**175,589**

For the year ended 31 March 2012

Continuing operations

	Financial leasing service	Financing service	Total
	HK$'000 *(Note a)*	*HK$'000* *(Note b)*	*HK$'000*
Revenue from customers *(Note c)*	100,112	24,724	124,836
Segment results	31,521	(36,058)	(4,537)
Investment income			7,018
Change in fair values of financial liabilities			(5,715)
Unallocated corporate income and expenses:			
– other administrative income and expenses			(34,334)
– net exchange loss			(19,337)
Other finance costs			(360)
Share of profit of a jointly controlled entity			16,056
Loss before taxation (continuing operations)			(41,209)

Segment results represent the profit earned by each segment without allocation of central administration costs, investment income, change in fair values of financial liabilities, other finance costs and share of profit of a jointly controlled entity. This is the measure reported to the Chief Executive Officer for the purpose of resource allocation and assessment of segment performance.

Notes:

a) Included in segment results from financial leasing service segment are direct finance costs of HK$85,562,000 (2012: HK$58,133,000).

b) Included in segment results from financing service segment is a non-cash expense relating to the adjustment to the carrying amount of a loan to a jointly controlled entity of HK$39,506,000 (2012: impairment loss on loans receivable of HK$60,782,000).

c) There is no inter-segment revenue for both years.

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

As at 31 March 2013

	Financial leasing service	**Financing service**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
Assets			
Segment assets	**1,670,489**	**672,505**	**2,342,994**
Interest in a jointly controlled entity			**1,149,846**
Unallocated assets			**614,353**
Total assets			**4,107,193**
Liabilities			
Segment liabilities	**1,435,519**	**–**	**1,435,519**
Unallocated liabilities			**334,825**
Total liabilities			**1,770,344**

As at 31 March 2012

	Financial leasing service	Financing service	Total
	HK$'000	*HK$'000*	*HK$'000*
Assets			
Segment assets	1,241,282	671,515	1,912,797
Interest in a jointly controlled entity			1,068,038
Unallocated assets			612,327
Total assets			3,593,162
Liabilities			
Segment liabilities	1,067,495	–	1,067,495
Unallocated liabilities			347,388
Total liabilities			1,414,883

For the purposes of monitoring segment performance and allocating resources between segments, the Chief Executive Officer monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments other than the interest in a jointly controlled entity, club debentures, 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.

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 2013

	Financial leasing service	**Financing service**	**Unallocated**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Expenditure for reportable segment non-current assets	**601**	**–**	**729**	**1,330**
Adjustment to the carrying amount of a loan to a jointly controlled entity	**–**	**39,506**	**–**	**39,506**
Depreciation of equipment	**738**	**–**	**521**	**1,259**

For the year ended 31 March 2012

	Financial leasing service	Financing service	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Expenditure for reportable segment non-current assets	495	–	1,010	1,505
Impairment loss on loans receivable	–	60,782	–	60,782
Depreciation of equipment	364	–	486	850

5. DIRECT FINANCE COSTS

Continuing operations

	2013	2012
	HK$'000	*HK$'000*
Interest on borrowings wholly repayable within five years	**62,675**	48,580
Guarantee fee paid to a jointly controlled entity	**3,472**	2,229
Imputed interest expense on interest-free deposits from finance lease customers	**19,415**	7,324
	85,562	58,133

6. OTHER FINANCE COSTS

Continuing operations

	2013	2012
	HK$'000	*HK$'000*
Imputed interest on redeemable convertible preference shares	**414**	360

7. PROFIT (LOSS) BEFORE TAXATION

Continuing operations

	2013	2012
	HK$'000	*HK$'000*
Profit (loss) before taxation has been arrived at after charging:		
Salaries, allowances and other staff benefits	**21,519**	21,695
Staff's retirement benefit scheme contributions	**283**	263
Equity-settled share based payment expenses	**5,188**	6,991
Total staff costs (including directors' remuneration)	**26,990**	28,949
Auditor's remuneration	**1,543**	1,191
Depreciation of equipment	**1,259**	850
Operating lease rentals in respect of properties	**2,864**	2,616
Net exchange loss (included in other operating expenses)	**–**	19,337
and after crediting:		
Net exchange gain (included in other income)	**60**	–
Interest income from bank deposits (included in other income)	**15,252**	7,018

8. TAXATION

Continuing operations

	2013	2012
	HK$'000	*HK$'000*
The charge comprises:		
Current tax		
Enterprise Income Tax in China		
– Provision for the current year	**22,181**	8,750
– Underprovision in prior year	**40**	29
	22,221	8,779

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

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

9. DISCONTINUED OPERATIONS

On 24 August 2011, a sale and purchase agreement and two subscription agreements were entered into between, among others, Perfect Honour Limited ("Perfect Honour"), a wholly owned subsidiary of the Company, an independent third party investor (the "Investor"), Rongzhong Group Limited ("Rongzhong Group") and Rongzhong Capital Holdings Limited ("Rongzhong Capital"), which together with Rongzhong Group were non-wholly owned subsidiaries of the Company, involving the introduction of the Investor to invest in Rongzhong Group and Rongzhong Capital (the "Introduction") for the purpose of providing additional working capital to both Rongzhong Group and Rongzhong Capital for further business operation development. The Introduction was completed on 26 October 2011 (the "Completion of Introduction") and the total investment amount paid by the Investor pursuant to the Introduction was US$154.8 million (equivalent to HK$1,207.4 million) of which US$39.15 million (equivalent to HK$305.4 million) was paid to the Group. Details of the Introduction were disclosed in the circular dated 23 September 2011 issued by the Company.

To facilitate the Introduction, the Group effected the pre-completion reorganisation which included, among others, the acquisition of Rongzhong Capital from Rongzhong Group by Perfect Honour and the non-controlling interests in proportion to their respective shareholding interests in Rongzhong Group prior to the Completion of Introduction.

After the Completion of Introduction:

- Rongzhong Group and its subsidiaries (collectively the "Disposal Group") became 40% owned by the Group. Its financial results and position were deconsolidated from and then accounted for as a jointly controlled entity using equity method in the consolidated financial statements of the Group.

- Rongzhong Capital and its subsidiaries, which carry out the financial leasing business of the Group, became 50.055% owned by the Group and continued to be consolidated in the consolidated financial statements of the Group.

The operations regarding financing and provision of loan guarantee service carried out by the Disposal Group have been treated as discontinued operations.

Profit for the year from discontinued operations

	For the period from 1 April 2011 to 26 October 2011
	HK$'000
Revenue	140,342
Other income	5,428
Staff costs	(18,299)
Other operating expenses	(25,917)
Other finance costs	(5,548)
Share of loss of an associate	(761)
Profit before taxation	95,245
Taxation	(24,521)
Profit from financing and provision of loan guarantee service operations	70,724
Gain on disposal of subsidiaries *(Note 10)*	501,634
Profit for the year from discontinued operations	572,358
Profit for the year from discontinued operations attributable to:	
Owners of the Company	562,599
Non-controlling interests	9,759
	572,358
Profit for the year from discontinued operations included the following:	
Interest on bank borrowings	5,548
Allowance for bad and doubtful debts	15,362
Amortisation of intangible assets	264
Auditor's remuneration	874
Directors' remuneration	1,173
Depreciation of equipment	1,738
Exchange gain	(17,788)
Gain on disposal of equipment	(2,283)
Interest income from bank deposits	(1,209)
Operating lease charges in respect of properties	5,416

Cash flows from discontinued operations

	For the period from 1 April 2011 to 26 October 2011
	HK$'000
Net cash used in operating activities	(113,838)
Net cash used in investing activities	(15,981)
Net cash from financing activities	27,920
Net cash outflows	(101,899)

10. DISPOSAL OF SUBSIDIARIES

On 26 October, 2011, the Group disposed of the Disposal Group which carried out the financing service and loan guarantee service businesses.

	26 October 2011
	HK$'000
Consideration received	305,398
Expenses incurred	(3,192)
Net consideration received	302,206
Investment in a jointly controlled entity	1,051,440
Net assets disposed of	(634,892)
Non-controlling interests	159,384
Adjustment arising from interest rate reduction from 10% to 5% on the shareholders' loan to Rongzhong Group	(42,813)
Call option	(5,873)
Provision for share subscription	(294,119)
Estimated liability	(13,699)
Tax provision	(20,000)
Gain on disposal *(Note 9)*	501,634

The gain on disposal was included in the profit for the year ended 31 March 2012 from discontinued operations in the consolidated statement of comprehensive income *(Note 9)*.

Net cash inflow from disposal of subsidiaries

	26 October 2011
	HK$'000
Consideration received in cash and cash equivalents	305,398
Less: legal and professional fees and expenses incurred	(3,192)
Less: cash and cash equivalent balances disposed of	(45,010)
	257,196

11. DIVIDEND

	2013	2012
	HK$'000	*HK$'000*
Dividends recognised as distribution and paid during the year:		
Final dividends of nil cent per share in respect of the year ended 31 March 2012 (2012: In respect of the year ended 31 March 2011 of HK2 cents per share)	–	55,211

Subsequent to the end of the reporting period, a final dividend of HK1.5 cents (2012: nil) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting of the Company.

12. EARNINGS (LOSS) PER SHARE

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

	2013	2012
	HK$'000	*HK$'000*
Earnings:		
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	**119,884**	500,813
	'000	*'000*
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**2,745,013**	2,760,053
Effect of dilutive potential ordinary shares:		
Share options	**2,680**	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**2,747,693**	2,760,053

The computation of diluted earnings per share for the year ended 31 March 2012 did not assume the exercise of the Company's outstanding share options since their assumed exercise would result in decrease in loss per share from continuing operations in the prior year.

From continuing operations

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

	2013	2012
	HK$'000	*HK$'000*
Earnings (loss) figures are calculated as follows:		
Profit for the year attributable to owners of the Company	**119,884**	500,813
Less: Profit for the year from discontinued operations attributable to owners of the Company *(Note 9)*	**–**	(562,599)
Profit (loss) for the purpose of basic and diluted earnings (loss) per share from continuing operations	**119,884**	(61,786)

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 2012, basic and diluted earnings per share for discontinued operations was HK20.38 cents per share, based on the profit for the year from discontinued operations attributable to owners of the Company of HK$562,599,000 and the denominators detailed above for both basic and diluted earnings per share.

13. FINANCE LEASES RECEIVABLE/DEPOSITS FROM FINANCE LEASE CUSTOMERS

The Group provides financial leasing service in China.

	Minimum lease payments		Present value of minimum lease payments	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Finance leases receivable comprise:				
Within one year	**778,974**	634,104	**661,100**	525,662
In more than one year but not more than five years	**1,068,135**	755,244	**982,322**	689,796
	1,847,109	1,389,348	**1,643,422**	1,215,458
Less: Unearned finance income	**(203,687)**	(173,890)		
Present value of minimum lease payment	**1,643,422**	1,215,458		
Analysed for reporting purposes as:				
Current assets			**661,100**	525,662
Non-current assets			**982,322**	689,796
			1,643,422	1,215,458

The Group's finance leases receivable are denominated in Renminbi which is the functional currency of the relevant group entity. The effective interest rates of the above finance leases range from 6.1% to 25.7% (2012: 10.8% to 35.2%) per annum.

Finance leases receivable are mainly secured by leased assets which are used in laser processing, plastics, industrial processing, textile and garment industries, customers' deposits and leased assets repurchase arrangement where applicable. As at 31 March 2013, finance leases receivable of HK$164,204,000 (2012: nil) were past due but not impaired and the customers' deposits of HK$363,517,000 (2012: HK$226,193,000) were repayable by end of lease period. There was no unguaranteed residual value of leased assets and no contingent rent arrangement that needed to be recognised in both years.

The following is an ageing analysis of finance leases receivable which are past due but not impaired:

	2013	2012
	HK$'000	*HK$'000*
Less than one month	**6**	–
More than one month but less than three months	**164,198**	–
	164,204	–

Management reviews and assesses for impairment individually based on customers' repayment history and the values of the assets pledged. As at 31 March 2013, an aggregate carrying amount of HK$164,204,000 (2012: nil) was past due but the Group has not provided for impairment loss as management considered there has not been a significant change in credit quality for these customers.

BUSINESS REVIEW

The Group engages principally in the provision of non-bank financial services to small-to-medium enterprises ("SMEs") in China.

In 2011, the Group introduced a strategic investor, Hony Capital Fund 2008, L.P., to Rongzhong Group, a 71% owned subsidiary of the Group prior to the Introduction, and completed a reorganisation which involved, among others, the spinoff of Rongzhong Capital and its subsidiaries (collectively "Rongzhong Capital Group"), which engage principally in the provision of financial leasing and related services in China, from Rongzhong Group. Upon the Completion of the Introduction, Rongzhong Capital became a 50.055% owned subsidiary of the Group and Rongzhong Group became a 40% owned jointly controlled entity of the Group.

Financial Leasing

The Group offers medium to long term financial leasing and related services to SMEs in China through Rongzhong International Financial Leasing Co., Ltd. ("Rongzhong Leasing"), a wholly owned subsidiary of Rongzhong Capital. Established in Wuhan under the wholly foreign-owned leasing license issued by the Ministry of Commerce of China, Rongzhong Leasing commenced business operation in late 2008 offering a wide range of financial leasing services, such as direct leasing, sales and leaseback, leveraged leasing, lease with buy-back undertaking and other related consultancy services. The customer base spans over various provinces and cities, including: Anhui, Beijing, Chongqing, Guangdong, Guizhou, Hebei, Henan, Hubei, Hunan, Inner Mongolia, Jiangsu, Jilin, Liaoning, Shaanxi, Shandong, Shanghai, Sichuan, Tianjin, Yunnan and Zhejiang.

Since the commencement of the financial leasing business in 2008, the Group has achieved significant growth over these years. The total carrying value of finance leases receivable as at 31 March 2013 reached HK$1,643.4 million (2012: HK$1,215.5 million), representing an increase of 35%. This portfolio contributed a total revenue for the Year of HK$181.8 million (2012: HK$100.1 million), representing an increase of 82%. This remarkable performance was mainly contributed by the Group's well developed business platform and network, the steady economic growth in China and the strong support of local banks over these years.

While the financial leasing business is currently going through a strong growth stage, the ability to maintain healthy asset quality is always of vital importance to the success of doing this business. Through the stringent and effective process in customer selection, credit assessment and post-leasing monitoring control, the Group has been able to maintain healthy and strong asset quality. In addition, the Group recognises the importance of human resources to continuous growth and development in this business, and allowed the key management of the Rongzhong Capital Group to subscribe new shares of Rongzhong Capital after the reporting date, details of which are set out in the circular of the Company dated 24 May 2013 and the section headed "Deemed Disposal Subsequent to the End of Reporting Period" below.

Deemed Disposal Subsequent to the End of Reporting Period

On 2 May 2013, Rongzhong Capital entered into a conditional subscription agreement for subscription of its new shares ("Subscription") with two subscribers, companies owned by the key management of the Rongzhong Capital Group (the "Key Management"), with a view to (i) procure continuing dedication of the Key Management for its future business development and growing business targets and (ii) further strengthen its capital base.

The completion of Subscription ("Completion") took place on 21 June 2013. As a result, the Company's equity interest in Rongzhong Capital has been reduced to approximately 47.94%, and Rongzhong Capital ceased to be a subsidiary of the Company. The Group remains as the single largest shareholder of Rongzhong Capital and is entitled to share the operating results of the Rongzhong Capital Group with respect to its shareholding interest in Rongzhong Capital after Completion.

With dedicated key management and increased financial resources, the Group expects that the business growth potential of the Rongzhong Capital Group will be further enhanced.

Financing

As at 31 March 2013, the Group had (1) term loans (the "Zhuhai Loan") for financing a property development project in Zhuhai, China (the "Zhuhai Project"), by a wholly owned subsidiary of the Group and (2) revolving working capital loan facilities offered to Rongzhong Group.

Zhuhai Loan

During the year ended 31 March 2012, the borrowers failed to settle the Zhuhai Loan in full by the agreed repayment dates. Legal action has been taken against the borrowers for debt recovery. Taking into account the uncertainty of the outcome of the legal action and the chance of realising the interest of the Zhuhai Project, the only major asset known to be owned by the borrowers, the Zhuhai Loan was considered to be fully impaired as at 31 March 2012. The legal procedures are still in progress up to the date of this announcement. As at result, the Group did not recognise any income from the Zhuhai Loan for both years but an impairment loss of HK$60.8 million for the year ended 31 March 2012. Despite of that, the Zhuhai Loan still provided an overall positive yield to the Group in the past years.

Rongzhong Facilities

The Group currently has two revolving loan facilities offered to the Rongzhong Group. The first loan facility is to make available a revolving loan facility of HK$900 million in which a loan of HK$444 million (the "Special Loan") is bearing an interest rate of 5% per annum and repayable beyond one year of the reporting date while the remaining facility amount is bearing an interest rate of 10% per annum and repayable within one year of the reporting date. The second loan facility is to make available a revolving loan facility of RMB150 million (equivalent to approximately HK$185 million) bearing an interest rate of 3% per annum and repayable within one year of the reporting date. As at 31 March 2013, the total carrying amount of the loans under the above-mentioned facilities was HK$672.5 million (2012: HK$671.5 million) and the total interest generated therefrom for the Year was HK$55.7 million (2012: HK$61.7 million of which HK$37.0 million was related to the period prior to Completion of Introduction and was not recognised as revenue of the Group in accordance with applicable accounting standards). During the Year, as a result of the change of expected repayment date, the carrying amount of the Special Loan was written down by HK$39.5 million in accordance with applicable accounting standards.

鹽城市金榜科技小額貸款有限公司
(Yancheng Goldbond Technology Small Loan Company Limited#)

In November 2012, the Group had successfully obtained an approval to establish a wholly foreign-owned small loan company, 鹽城市金榜科技小額貸款有限公司 ("Yancheng Goldbond"), with a registered capital of US$30 million in Yancheng, Jiangsu Province, China ("Yancheng"). Yancheng Goldbond obtained the business licence in April 2013 and is authorised to offer financial solutions to all technology-focused SMEs within the city of Yancheng. Unlike all other agricultural-focused small loan companies in China which are mainly authorised to provide financing service to SMEs and individuals in agricultural related sector, Yancheng Goldbond is authorised to offer, in addition to financing service, loan guarantee service, direct venture investment and other services approved by the provincial government, to its customers in Yancheng, which is the largest jurisdiction area and has the second largest population of Jiangsu Province, China.

Yancheng Goldbond, led by a group of experienced senior management, has established connections with several banks in Yancheng. Its loan and investment portfolio has reached RMB20 million (equivalent to approximately HK$25.3 million) since its commencement of business in April 2013.

In the future, Yancheng Goldbond may finance its expansion of operations through a combination of (i) borrowings and/or (ii) cash generated from its operations. Riding on the growth of demand for provision of financial solutions to SMEs, solid experience and proven track record gained in the development of financing services, it is expected that Yancheng Goldbond, as a business platform for business expansion in Jiangsu Province, China, will contribute stable revenue stream to the Group.

Interest in a jointly controlled entity – Rongzhong Group

The Group holds 40% of Rongzhong Group as its jointly controlled entity. Through various business platforms, including loan guarantee companies, pawn shops, small loan company and other financial consulting and management companies, Rongzhong Group together with its subsidiaries (collectively the "Rongzhong Group Companies") offer various financial services to customers in China, covering financing, loan guarantee, financial consulting and management services. With business operation for more than one decade, Rongzhong Group Companies have developed strong and cohesive business relationship with numerous SMEs and more than 20 co-operating banks in China.

After the Completion of Introduction, the business of Rongzhong Group Companies continues to grow with additional working capital. Rongzhong Group Companies generated a total revenue of HK$455.7 million (2012: HK$277.3 million). As a result, the Group shared a net profit for the Year of HK$82.0 million (2012: HK$16.1 million for approximately 5 months since the Completion of Introduction) from the operation of Rongzhong Group Companies.

for identification purpose only

OUTLOOK

Looking forward, SMEs are still the most dynamic business group playing a unique role in China's economic development. Under restrictive fiscal policy currently adopted by the Chinese government, banks curtail lending and/or restrict the granting of loans to big corporations, thus making SMEs difficult to obtain loans. The total number of SMEs and their demand for financial services continues to grow. With the long established brand identity and the all-round financial solutions offered, the Group, together Rongzhong Capital Group and Rongzhong Group Companies are ready to seize this opportunity to enlarge their footprints in China. However, given the current uncertain and challenging global economic condition, the Group will implement its expansion plan with due care and caution.

FINANCIAL REVIEW

After the Completion of Introduction, Rongzhong Group became a jointly controlled entity of the Group and the financial results of Rongzhong Group Companies were accounted for using equity method in the consolidated statement of comprehensive income of the Group. The result of operations for financing and provision of loan guarantee service carried out by Rongzhong Group Companies prior to the Completion of Introduction in the previous financial year was treated as "discontinued operations" and presented separately in the Group's consolidated statement of comprehensive income.

Results of Operations

Continuing operations

The Group generated a total revenue from continuing operations for the Year of HK$237.5 million (2012: HK$124.8 million), representing a remarkable growth of 90%. This was mainly contributed by the growth of the financial leasing business and the financing business to HK$181.8 million and HK$55.7 million respectively (2012: HK$100.1 million and HK$24.7 million respectively). Correspondingly, the direct finance costs and taxation increased to HK$85.6 million and HK$22.2 million, respectively (2012: HK$58.1 million and HK$8.8 million respectively).

In combination of the above factors, together with the drop in impairment loss on loans receivable by HK$60.8 million and increase in share of profit of Rongzhong Group by HK$65.9 million, the profit from continuing operations for the Year was HK$153.4 million (2012: loss of HK$50.0 million). As mentioned in the section headed "Rongzhong Facilities", as a result of the change of expected repayment date, the carrying amount of the Special Loan was written down by HK$39.5 million in accordance with applicable accounting standards. Excluding this non-cash item, the profit from continuing operations even reached HK$192.9 million.

Discontinued operations

For the year ended 31 March 2012, the Group had a profit from discontinued operations of Rongzhong Group Companies of HK$572.4 million, which composed of gain on disposal of Rongzhong Group Companies of HK$501.7 million and a profit from operations of Rongzhong Group Companies for the period prior to the Completion of Introduction of HK$70.7 million.

Total Comprehensive Income for the Year Attributable to the Owners of the Company

The Group generated a total comprehensive income for the Year attributable to the owners of the Company of HK$119.9 million (2012: HK$550.0 million), representing a decrease of about 78%. The significant decrease during the Year was mainly due to (1) the absence of non-recurring gain on disposal of Rongzhong Group Companies and (2) the decrease of exchange gain arising on translation as there was no significant appreciation of Renminbi during the Year, partly offset by the increase in profit from continuing operations as detailed in the section headed "Results of Operations".

Final Dividend

The Board has proposed a final dividend of HK1.5 cents per share in respect of the results for the Year (2012: nil). The ratio of dividend to profit for the year attributable to the owners of the Company for the Year was 34% (2012: nil) based on the issued share capital as at 31 March 2013. Subject to the approval of the shareholders at the forthcoming annual general meeting of the Company to be held on 30 August 2013 (the "AGM"), the final dividend will be distributed on or about 18 September 2013 to shareholders whose names appear on the Register of Members of the Company as at the close of business on 9 September 2013.

Financial Resources and Capital Structure

The Group always maintains healthy cash position and sufficient capital for business development. As at 31 March 2013, the aggregate sum of cash, bank balances and short term bank deposits amounted to HK$591.8 million (2012: HK$591.2 million). The working capital (current assets less current liabilities) and the total equity of the Group were HK$940.1 million (2012: HK$671.9 million) and HK$2,336.8 million (2012: HK$2,178.3 million) respectively.

As at 31 March 2013, all bank borrowings of the Group were denominated in Renminbi and granted by banks in China to solely support the development of the financial leasing business. The bank borrowings of HK$793.7 million (2012: HK$796.4 million) bore interest with reference to the rate offered by the People's Bank of China and the remaining bank borrowings of HK$227.1 million (2012: nil) bore fixed interest ranging from 6.15% to 6.65% per annum. The bank borrowings of HK$457.6 million (2012: HK$372.7 million) were classified as current liabilities while the remaining bank borrowings of HK$563.2 million (2012: HK$423.7 million) were classified as non-current liabilities. The Group manages its interest rate risk exposures by adjusting part of the amount of finance leases receivable with reference to the change in market interest rates. Apart from this, the Group has not entered into any hedging instruments to reduce interest rate risk exposure.

Liquidity and Gearing Ratio

The Group's healthy liquidity position is shown by the current ratio maintained throughout the Year. As at 31 March 2013, the current ratio (current assets/current liabilities) of the Group was 2.59 times (2012: 2.42 times). As the economic environment in China is rather uncertain in the short run, it is the Group's intention to maintain a moderate level of gearing ratio. As at 31 March 2013, the debt-to-equity ratio (total bank borrowings/total equity) of the Group was 43.7% (2012: 36.6%) while the net debt-to-equity ratio was 29.1% (2012: 12.5%).

Charges on Group Assets

As at 31 March 2013, the Group's finance leases receivable of HK$1,261.7 million (2012: HK$851.7 million) and security deposits of HK$17.8 million (2012: HK$19.4 million) were pledged to banks in China to secure the bank borrowings of the Group.

Exposure to Fluctuations in Exchange Rates

The Group reports its operating results 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

As at 31 March 2013, the Company had given a guarantee to a bank for the granting of a borrowing of not more than RMB100 million (equivalent to HK$123.5 million) which was fully utilised as at 31 March 2013 to a non-wholly owned subsidiary of the Company. The guarantee provided by the Company was 50.055% of all sums payable by the borrower.

Employees and Remuneration Policy

As at 31 March 2013, the Group had approximately 40 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 2012/13 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 31 August 2012 ("2012 AGM") due to other prior business engagement and in respect of code provision A.6.7 of the CG Code, an Independent Non-executive Director was unable to attend the 2012 AGM 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

An annual general meeting of the Company (the "2013 AGM") will be held on Friday, 30 August 2013. The notice of the 2013 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 2012/13 Annual Report, in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining Shareholders' eligibility to attend and vote at the 2013 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 2013 AGM:	
Latest time to lodge transfer documents for registration	4:30 pm on Monday, 26 August 2013
Closure of register of members	Tuesday, 27 August 2013 to Friday, 30 August 2013 (both dates inclusive)
Record date	Friday, 30 August 2013
(ii) For determining Shareholders' entitlement to final dividend	
Latest time to lodge transfers documents for registration	4:30 pm on Wednesday, 4 September 2013
Closure of register of members	Thursday, 5 September 2013 to Monday, 9 September 2013 (both dates inclusive)
Record date	Monday, 9 September 2013

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the 2013 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, 27 June 2013

As at the date of this announcement, the Board comprises Mr. Wang Jun, Mr. Wong Yu Lung, Charles, Mr. Ding Chung Keung, Ms. Wong, Michelle Yatyee and Mr. Melvin Jitsumi Shiraki (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).