WEALTH GLORY HOLDINGS LIMITED

富 譽 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8269)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2013

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

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Wealth Glory Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and (2) there are no other matters the omission of which would make any statement herein or this announcement misleading.

The Board of Directors (the "Board") of Wealth Glory Holdings Limited (the "Company") is pleased to present the audited consolidated final results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2013 together with the audited comparative figures for the corresponding previous year as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2013

	Note	**2013** *HK$'000*	2012 *HK$'000*
Turnover	3	**48,292**	104,434
Cost of goods sold		**(40,344)**	(78,815)
Gross profit		**7,948**	25,619
Other income	4	**843**	491
Selling expenses		**(1,573)**	(3,345)
Administrative expenses		**(12,704)**	(14,485)
Other operating expenses		**(8,386)**	(552)
(Loss)/profit before tax		**(13,872)**	7,728
Income tax expense	6	**–**	–
(Loss)/profit for the year	7	**(13,872)**	7,728
Attributable to:			
Owners of the Company		**(13,872)**	7,728
(Loss)/earnings per share	9		
Basic		**(HK1.7 cents)**	HK1.2 cents
Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013

	2013	2012
	HK$'000	*HK$'000*
(Loss)/profit for the year	**(13,872)**	7,728
Other comprehensive income for the year, net of tax:		
Exchange differences on translating foreign operations	**82**	226
Total comprehensive income for the year	**(13,790)**	7,954
Attributable to:		
Owners of the Company	**(13,790)**	7,954

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2013

	Note	2013 HK$'000	2012 HK$'000
Non-current assets			
Fixed assets		**10,355**	10,167
Investment in an associate	10	**100,274**	–
		110,629	10,167
Current assets			
Inventories		**655**	686
Trade receivables	11	**1,366**	17,187
Prepayments, deposits and other receivables		**3,034**	522
Loan to an associate	12	**5,000**	–
Bank and cash balances		**31,515**	86,676
		41,570	105,071
Current liabilities			
Trade payables	13	**1,090**	8,162
Accruals and other payables		**3,452**	2,297
		4,542	10,459
Net current assets		**37,028**	94,612
Total assets less current liabilities		**147,657**	104,779
Non-current liabilities			
Deferred tax liabilities		**3**	3
NET ASSETS		**147,654**	104,776
Capital and reserves			
Share capital	14	**9,992**	6,624
Reserves		**137,639**	98,152
Equity attributable to owners of the Company		**147,631**	104,776
Non-controlling interests		**23**	–
TOTAL EQUITY		**147,654**	104,776

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2013

		Attributable to owners of the Company										
	Note	Share capital HK$'000	Share premium HK$'000	Merger reserve HK$'000	Share-based payment reserve HK$'000	Foreign currency translation reserve HK$'000	Legal reserve HK$'000	Retained profits HK$'000	Proposed final dividend HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
At 1 April 2011		5,520	20,092	(4,246)	–	(691)	485	31,135	9,936	62,231	–	62,231
Issue of shares on placement	14(b)	1,104	39,744	–	–	–	–	–	–	40,848	–	40,848
Share issue expenses		–	(453)	–	–	–	–	–	–	(453)	–	(453)
Share-based payments		–	–	–	4,132	–	–	–	–	4,132	–	4,132
Total comprehensive income for the year		–	–	–	–	226	–	7,728	–	7,954	–	7,954
Dividends paid		–	–	–	–	–	–	–	(9,936)	(9,936)	–	(9,936)
Changes in equity for the year		1,104	39,291	–	4,132	226	–	7,728	(9,936)	42,545	–	42,545
At 31 March 2012 and 1 April 2012		6,624	59,383	(4,246)	4,132	(465)	485	38,863	–	104,776	–	104,776
Issue of shares on placement and subscription	14(c)	3,368	54,702	–	–	–	–	–	–	58,070	–	58,070
Share issue expenses		–	(1,425)	–	–	–	–	–	–	(1,425)	–	(1,425)
Formation of a non wholly-owned subsidiary		–	–	–	–	–	–	–	–	–	23	23
Total comprehensive income for the year		–	–	–	–	82	–	(13,872)	–	(13,790)	–	(13,790)
Changes in equity for the year		3,368	53,277	–	–	82	–	(13,872)	–	42,855	23	42,878
At 31 March 2013		9,992	112,660	(4,246)	4,132	(383)	485	24,991	–	147,631	23	147,654

NOTES:

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is 17/F., No. 8 Wyndham Street, Central, Hong Kong.

The shares of the Company are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its principal subsidiaries are manufacture and sale of noodles and investment holding in coal trading business.

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

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 April 2012. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

3. TURNOVER

The Group's turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts during the year.

4. OTHER INCOME

	2013	2012
	HK$'000	*HK$'000*
Interest income	**439**	491
Gain on disposals of fixed assets	**80**	–
Others	**324**	–
	843	491

5. SEGMENT INFORMATION

The Group has one single reportable segment which was managed as a single strategic business unit that engaged in the manufacturing and sale of packaged foods with similar marketing strategy. Information reported to the Group's chief operating decision maker, for the purpose of resource allocation and assessment performance is focused on the operating results of the Group as a whole as the Group's resources are integrated and no discrete financial information is available. Accordingly, no segment analysis is presented.

Geographical information:

The following tables present revenue from external customers by geographical locations for the year.

	Revenue		**Non-current assets**	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**1,027**	1,591	**993**	17
Macau	**–**	–	**–**	48
PRC except Hong Kong and Macau	**7,925**	7,456	**109,441**	9,842
Australia	**8,657**	17,957	**–**	–
Canada	**–**	15,010	**–**	–
Dubai U.A.E.	**3,600**	7,663	**–**	–
Malaysia	**7,388**	25,941	**–**	–
New Zealand	**5,616**	7,494	**195**	260
Thailand	**7,440**	12,279	**–**	–
United Kingdom	**3,790**	7,263	**–**	–
Others	**2,849**	1,780	**–**	–
Consolidated total	**48,292**	104,434	**110,629**	10,167

In presenting the geographical information, revenue is based on the locations of the customers.

Revenue from major customer:

Revenue from one customer of the Group represents approximately HK$5,616,000 of the Group's total revenue for the year ended 31 March 2013.

There was no customer who accounted for 10% or more of the Group's revenue for the year ended 31 March 2012.

6. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made for the year ended 31 March 2013 as the Group did not generate any assessable profits arising in Hong Kong (2012: Nil).

The subsidiary, Shui Ye Foods (Shanghai) Co., Ltd., operating in the PRC, is subject to corporate income tax rate of 25% (2012: 25%) on its taxable profit in accordance with the PRC Corporate Income Tax Law. No provision for corporate income tax has been made as it has no assessable profit for the year ended 31 March 2013 (2012: Nil).

According to the current applicable laws of the Macau Special Administrative Region, Macau Complementary Tax is calculated at a progressive rate from 9% to 12% (2012: 9% to 12%) on the estimated assessable profits for the year with the first two hundred thousand patacas assessable profits being free from tax. However, the subsidiary, Greenfortune (Macao Commercial Offshore) Limited, operating in Macau during the year is in compliance with the Decree-Law No. 58/99/M of Macau Special Administrative Region, and thus, the profits generated by the subsidiary is exempted from the Macau Complementary Tax. Further, in the opinion of the directors, that portion of the Group's profit is not at present subject to taxation in any other jurisdictions in which the Group operates.

The reconciliation between income tax expense and the product of profit/(loss) before tax multiplied by the statutory tax rate of the countries in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rates are as follows:

For the year ended 31 March 2013

	Macau	**Hong Kong**	**PRC**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Profit/(loss) before tax	2,732	(15,033)	(1,571)	(13,872)
Applicable income tax rate	12%	16.5%	25%	
Tax at the applicable income tax rate	328	(2,480)	(393)	(2,545)
Tax effect of income not taxable	–	(72)	–	(72)
Tax effect of expenses not deductible	–	2,444	24	2,468
Tax effect of tax losses not recognised	–	108	369	477
Profits exempted from the Macau Complementary Tax	(328)	–	–	(328)
Income tax expense	–	–	–	–

For the year ended 31 March 2012

	Macau	**Hong Kong**	**PRC**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Profit/(loss) before tax	19,542	(9,517)	(2,297)	7,728
Applicable income tax rate	12%	16.5%	25%	
Tax at the applicable income tax rate	2,345	(1,570)	(574)	201
Tax effect of income not taxable	–	(35)	–	(35)
Tax effect of expenses not deductible	–	1,500	80	1,580
Tax effect of tax losses not recognised	–	105	494	599
Profits exempted from the Macau Complementary Tax	(2,345)	–	–	(2,345)
Income tax expense	–	–	–	–

7. (LOSS)/PROFIT FOR THE YEAR

The Group's (loss)/profit for the year is stated after charging/(crediting) the following:

	2013	2012
	HK$'000	*HK$'000*
Allowance for inventories#	**–**	320
Auditor's remuneration	**853**	732
Cost of inventories sold (note)	**40,344**	78,815
Depreciation	**1,346**	567
Inventories written off #	**68**	28
(Gain)/loss on disposals of fixed assets	**(80)**	46
Net foreign exchange loss	**319**	573
Operating lease charges		
– Land and buildings	**1,973**	1,340
– Office equipment	**11**	–
Other equity-settled share-based payments	**–**	957
Staff costs including directors' emoluments		
Salaries, bonuses and allowances	**7,572**	5,596
Equity-settled share-based payments	**–**	3,175
Retirement benefit scheme contributions	**801**	667
	8,373	9,438

Included in cost of inventories sold

Note: Cost of inventories sold includes staff costs of approximately HK$1,364,000 (2012: HK$1,297,000), depreciation of approximately HK$917,000 (2012: HK$118,000) and operating lease charges of approximately HK$476,000 (2012: HK$434,000), which are included in the amounts disclosed separately above.

8. DIVIDENDS

The directors do not recommend the payment of any dividend for the year ended 31 March 2013 (2012: Nil).

9. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of approximately HK$13,872,000 (2012: profit of approximately HK$7,728,000) and the weighted average number of ordinary shares of 823,108,844 (2012: 649,429,508) in issue during the year.

Diluted (loss)/earnings per share

No diluted (loss)/earnings per share are presented as the Company did not have any dilutive potential ordinary sharing during the two years ended 31 March 2012 and 2013.

10. INVESTMENT IN AN ASSOCIATE

	2013	2012
	HK$000	*HK$000*
Unlisted investments:		
Goodwill	**100,274**	–

Details of the Group's associate and its subsidiary at 31 March 2013 are as follows:

Name	**Place of incorporation/ registration**	**Issued and paid up capital**	**Percentage of ownership interest/ voting power/profit sharing**		**Principal activities**
			Direct	Indirect	
Goldenbase Ltd ("Goldenbase")	Republic of Seychelles	Registered capital of US$100,000	33%	–	Investment holding
Royal Dragon Corporation Limited ("Royal Dragon")	Hong Kong	1,010,000 ordinary shares of HK$1 each	–	33%	Coal trading

Summarised financial information in respect of the Group's associate is set out below:

	2013	2012
	HK$000	*HK$000*
At 31 March		
Total assets	**9,018**	–
Total liabilities	**(10,913)**	–
Net liabilities	**(1,895)**	–
Group's share of associate's net liabilities	**–**	–
Period from 27 September 2012 (date of acquisition of Goldenbase) to 31 March 2013		
Total revenue	**3,039**	–
Total loss for the period	**(1,311)**	–
Group's share of associate's loss for the period	**–**	–

The Group has not recognised loss for the period amounting to approximately HK$437,000 for the associate. The accumulated losses not recognised were approximately HK$437,000.

After the completion of the acquisition of Goldenbase on 27 September 2012, Royal Dragon has commenced trial run of trading of coal products in Xining, Qinghai Province, the PRC under the coal trading license of its PRC co-operator (the "Zhanjiang Company") since the end of October 2012. Despite it is legally feasible to conduct coal trading business in Qinghai Province under the coal trading license of Zhanjiang Company, Royal Dragon, when commenced its operation, has taken months to liaise with and explain to the tax bureau of Zhanjiang, Guangdong Province, the PRC in relation to the issuance of tax invoice in connection with each coal trade. Such administrative delay has significantly slowed down the trade cycle of Royal Dragon. In order to resolve such delay, the management of Royal Dragon has decided to set up a wholly-foreign owned enterprise ("WFOE") and then to obtain a coal trading license in Qinghai Province instead. It is estimated that the application for the coal trading license in Qinghai Province will be completed in or about the third quarter of 2013 after the WFOE is set up in Xining. As of the approval date of these financial statements, the set up of WFOE is still in progress and the application for the coal trading license in Qinghai Province is yet to commence.

Impairment test

In the impairment assessment of the investment in an associate, its carrying value is compared with the portion of recoverable amount of Royal Dragon shared by the Group. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. The directors consider that the coal trading business of Royal Dragon will be restored and will contribute a stable profit, through a share of its profit by the Group in its income statement as an associate, upon the WFOE is set up and the application of the trading license is completed. Accordingly, the recoverable amount is determined by the cash-generating unit ("CGU") based on value in use calculation.

The Group engaged an independent professional valuer, Roma Appraisals Limited, to determine the recoverable amount of Royal Dragon based on the cash flow forecasts derived from the most recent financial budgets approved by the directors of Royal Dragon for the next five years with residual period. The key assumptions for the value in use calculation are those regarding the discount rates, budgeted gross margin and turnover during the period. The Group estimates discount rate using pre-tax rate that reflect current market assessments of the time value of money and the risks specific to the CGU. Budgeted gross margin and turnover are based on the coal supply and purchase agreements and supplemental agreements entered into by Royal Dragon and expectations on market development. The rate used to discount the forecast cash flows is 18.6% and the recoverable amount is further discounted by 32.5% for lack of marketability.

As set out in the above paragraphs, the recoverable amount of investment in an associate is determined on the basis that the WFOE is set up and the application of the coal trading license is completed on the estimated time with no further obstacle or delay. If the set up of WFOE and the application of the coal trading license is unsuccessful, the Group might incur a significant amount of impairment loss on the investment in an associate, which might have a significant effect on the consolidated financial statements of the Group. However, the directors are of the opinion that Royal Dragon would be able to set up the WFOE and also to obtain the coal trading license, and they do not foresee any circumstances that would trigger their set up of WFOE and the application for the coal trading license unsuccessful.

11. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 30 to 120 days. Each customer has a maximum credit limit. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

The ageing analysis of trade receivables, based on the date of recognition of sales, and net of allowances, is as follows:

	2013	2012
	HK$'000	*HK$'000*
0 to 90 days	**1,339**	15,984
91 to 180 days	**27**	1,203
	1,366	17,187

As of 31 March 2013, trade receivables of approximately HK$160,000 (2012: HK$429,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2013	2012
	HK$'000	*HK$'000*
Overdue by:		
Up to 90 days	**160**	429

Subsequent to 31 March 2013, the Group received cash settlement amount of approximately HK$133,000 for balances overdue.

12. LOAN TO AN ASSOCIATE

The loan to an associate is unsecured, interest-bearing at 6% per annum and repayable on or before 27 September 2013.

13. TRADE PAYABLES

The ageing analysis of trade payables, based on the date of receipt of goods, is as follows:

	2013	2012
	HK$'000	*HK$'000*
0 to 90 days	**728**	8,096
91 to 180 days	**362**	66
	1,090	8,162

14. SHARE CAPITAL

	Note	**Number of shares**	**Amount** *HK$'000*
Authorised:			
Ordinary shares of HK$0.01 each			
At 1 April 2011, 31 March 2012 and 1 April 2012		1,000,000,000	10,000
Increase in authorised share capital of HK$0.01 each	(a)	1,000,000,000	10,000
At 31 March 2013		2,000,000,000	20,000
Issued and fully paid:			
Ordinary shares of HK$0.01 each			
At 1 April 2011		552,000,000	5,520
Issue of shares on placement	(b)	110,400,000	1,104
At 31 March 2012 and 1 April 2012		662,400,000	6,624
Issue of shares on placement and subscription	(c)	336,848,000	3,368
At 31 March 2013		999,248,000	9,992

Notes:

(a) Pursuant to the extraordinary general meeting of shareholders of the Company passed on 3 August 2012, the Company's authorised share capital was increased from HK$10,000,000 to HK$20,000,000 by the creation of an additional 1,000,000,000 shares of HK$0.01 each.

(b) On 29 April 2011, the Company, Conrich Investments Limited ("Conrich"), Ms. Lee Yau Lin, Jenny (Chairman of the Company and beneficial owner of Conrich) and the placing agent entered into a placing and subscription agreement, pursuant to which Conrich agreed to place, and the placing agent agreed to procure not less than six placees to purchase 110,400,000 ordinary shares of HK$0.01 each at a price of HK$0.37 per share from Conrich and Conrich agreed to subscribe new shares equivalent to the number of placing shares of 110,400,000 shares at subscription price equivalent to the placing price of HK$0.37 per share from the Company. The placing and subscription were completed on 5 May 2011 and 13 May 2011 respectively and the premium on the issue of shares, amounting to approximately HK$39,291,000, net of share issue expenses, was credited to the Company's share premium account.

(c) On 12 June 2012, the Company and the placing agent entered into a placing agreement, pursuant to which the placing agent agreed to procure not less than six placees to purchase up to 300,000,000 shares at placing price of HK$0.17 per share. The placing of 247,448,000 shares was completed on 27 September 2012 and the premium on the issue of shares, amounting to approximately HK$38,321,000, net of share issue expenses, was credited to the Company's share premium account.

On 19 September 2012, the Company, Conrich, Ms. Lee Yau Lin, Jenny and the placing agent entered into a placing and subscription agreement, pursuant to which Conrich agreed to place, and the placing agent agreed to procure not less than six placees to purchase 42,400,000 ordinary shares of HK$0.01 each at a price of HK$0.189 per share from Conrich and Conrich agreed to subscribe new shares equivalent to the number of placing shares of 42,400,000 shares at subscription price equivalent to the placing price of HK$0.189 per share from the Company. The placing and subscription were completed on 21 September 2012 and 27 September 2012 respectively and the premium on the issue of shares, amounting to approximately HK$7,449,000, net of share issue expenses, was credited to the Company's share premium account.

On 12 December 2012, the Company and the subscriber entered into a subscription agreement, pursuant to which the subscriber agreed to subscribe for and the Company agreed to allot and issue an aggregate of 47,000,000 shares at subscription price of HK$0.17 per share. The subscription was completed on 21 December 2012 and the premium on the issue of shares, amounting to approximately HK$7,507,000, net of share issue expenses, was credited to the Company's share premium account.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for the shareholders and benefits for other stakeholders, and to provide an adequate return to the shareholders.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholders, if any, return capital to the shareholders, issue new shares, or sell assets to reduce debt. No changes had been made in the objectives, policies and processes during the year.

The only externally imposed capital requirement is that for the Group to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares. The Group receives a report from the share registrars monthly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit from the Listing Date. As at 31 March 2013, 65.70% of the shares were in public hands.

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's annual audited financial statements for the year ended 31 March 2013 which has included an emphasis of matter, but without qualification.

Opinion

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

Material uncertainty relating to investment in an associate and loan to an associate

Without qualifying our opinion, we draw attention to notes 15* and 18* to the financial statements. As at 31 March 2013, the investment in an associate, and loan to an associate, amounted to approximately HK$100,274,000 and HK$5,000,000 respectively. The associate has commenced trial run of trading of coal products in Xining, Qinghai Province, the People's Republic of China (the "PRC") under the coal trading license of its PRC co-operator (the "Zhanjiang Company") since the end of October 2012 and has generated revenue of approximately HK$3,039,000 up to 31 March 2013. Despite it is legally feasible to conduct coal trading business in Qinghai Province under the coal trading license of Zhanjiang Company, the associate, when commenced its operation, has taken months to liaise with and explain to the tax bureau of Zhanjiang, Guangdong Province, the PRC in relation to the issuance of tax invoice in connection with each coal trade. Such administrative delay has significantly slowed down the trade cycle of the associate. In order to resolve such delay, the management of the associate has decided to set up a wholly-foreign owned enterprise ("WFOE") and then to obtain a coal trading license in Qinghai Province instead. It is estimated that the application for the coal trading license in Qinghai Province will be completed in or about the third quarter of 2013 after the WFOE is set up in Xining. As of the approval date of these financial statements, the set up of WFOE is still in progress and the application for the coal trading license in Qinghai Province is yet to commence.

In the impairment assessment of the investment in an associate and loan to an associate, the recoverable amount is determined on the basis that the WFOE is set up and the application of the coal trading license is completed on the estimated time with no further obstacle or delay. If the set up of WFOE and the application of the coal trading license is unsuccessful, the Group might incur a significant amount of impairment loss on the investment in an associate and loan to an associate, which might have a significant effect on the consolidated financial statements of the Group. However, the directors are of the opinion that the aforesaid associate would be able to set up the WFOE and also to obtain the coal trading license, and they do not foresee any circumstances that would trigger their set up of WFOE and the application for the coal trading license unsuccessful.

* *As reproduced in note 10 of this announcement*

FINAL DIVIDEND

The Directors do not recommend payment of a final dividend for the year ended 31 March 2013 (2012: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in (i) the supply and sale of dried noodles including bowl noodles and packed noodles; (ii) the manufacture and sale of fresh noodles, including but not limited to hefen, wonton noodles and yi mein; and (iii) investment holding in coal trading business. During the year, the Group's dried noodles were mainly sold to overseas food wholesalers engaged in trading and distribution of food products outside the PRC and the Group's fresh noodles were mainly sold to restaurants, hotels and cafes nearby our Group's production base in Shanghai, the PRC. After completion of acquisition of coal trading business in September 2012, the Group had started to engage in coal trading business through its associate in which the Group was interested in its 33.3% equity.

During the year under review, the Group's performance had been significantly affected by (i) the downturn in the global economy and the implementation of more stringent domestic measures on food quality control that had weakened the confidence and demand of the overseas customers; (ii) the escalating costs in raw materials and direct labours which the Group had difficulties to fully transfer all the increased costs to the customers; (iii) the initial set-up costs and expenses incurred by the Group for its expansion into the mineral trading business; and (iv) the deferment of the expected profit contribution from the coal trading business carried out by its associate. These all together affected the financial performance of the Group in the past year.

Due to persistent uncertainty of the global economy and weakening demand from overseas customers, in the coming year, the Group would allocate more resources to develop the domestic noodle sales in the PRC, which, contrary to most western and developing countries, is still sustaining admirable growth rates both on its GDP and domestic consumption. Sales to overseas customers would be kept at a minimal level unless a higher profit margin is achieved through a higher selling price that is accepted by overseas customers.

During the year under review, the Group also started to diversify its business into the mineral business through acquisition of 33.3% equity interest in the coal trading business in September 2012. The acquired associate, Royal Dragon Corporation Limited ("Royal Dragon"), has already commenced trading of coal products in Xining, Qinghai Province, the PRC since October 2012 though the revenue generated by Royal Dragon up to 31 March 2013 was significantly lower than the revenue as originally expected due to the administrative impediment in the tax reporting procedures of the trade raised by the local tax bureaus. Despite it is legally feasible to conduct coal trading business by Royal Dragon in Xining, Qinghai Province under the coal trading license of Zhanjiang Company located in the Guangdong Province as disclosed in the Company's circular dated 18 July 2012, Royal Dragon, when commenced its operation, has taken months to liaise with and explain to the tax bureau of Zhanjiang in relation to the issuance of tax invoice in connection with each coal trade under its authority as it was its view that Xining tax bureau should be the authority to assess the tax matters, including the issuance of tax invoice of the trade that had been physically carried out in Xining.

Such administrative delay has significantly slowed down the trade cycle of Royal Dragon and unduly lengthened the receipt process of sales proceeds of the trade due to the prolonged delay in issuing the tax invoice. In order to resolve such delay, the management of Royal Dragon has decided to establish a wholly-foreign owned enterprise to obtain its own coal trading license in Qinghai Province, the PRC instead. It is expected that the obtaining of the coal operation certificate would be completed in or about the third quarter of 2013.

Upon obtainment of the coal operation certificate by its owned subsidiary in Qinghai Province, it is expected that Royal Dragon would resume its full operation as planned with a stable profit contribution through a share of the profit of its associate by the Group.

In addition, the Group is also identifying further investment opportunity to diversify its existing business into the mineral trading business through the proposed acquisition of 100% equity interest of an iron trading business. The acquisition represents a good opportunity for the Group to further develop its mineral trading business and the Group would be able to benefit from the revenue stream and the profit contribution upon completion of the acquisition.

The followings are a summary for the significant business development of the Group for the year:

On 25 May 2012, Silver Summit Investments Limited ("Silver Summit"), a wholly owned subsidiary of the Company entered into a conditional acquisition agreement with an independent third party, Intellect Hero Limited, pursuant to which the Group could diversify its existing businesses and tap into the coal trading business in the PRC by acquiring the 100% interest in Eminent Along Limited at a total consideration of HK$100 million. The Group would then indirectly hold 33.33% equity interests of the coal trading business as its associate. It was expected that the Group would be able to benefit from the positive prospects of the associate in light of the increasing demand of coal in the PRC, and to benefit from the potential investment returns and maximize the returns to the shareholders. The Company had also provided a facility of HK$5 million to the associate for financing its initial working capital. The acquisition and the facility were duly passed by shareholders at the Extraordinary General Meeting held on 3 August 2012 by way of poll and the acquisition was subsequently completed on 27 September 2012.

On 12 June 2012, the Company announced to propose to raise approximately HK$51 million through a placing of 300,000,000 shares on a best effort basis by the placing agent at the price of HK$0.17 per share and net proceeds receivable by the Company under the placing were estimated to be approximately HK$49.6 million after deducting relevant expenses incurred. The placing was subsequently completed on 27 September 2012 with an aggregate of 247,448,000 shares at HK$0.17 per placing share. The net proceeds from the placing were approximately HK$40.8 million, which were applied towards part of the acquisition of the coal trading business.

On 19 September 2012, the Company announced to propose to raise approximately HK$8.0 million through a top-up placing of 42,400,000 shares on a best effort basis by the placing agent at the price of HK$0.189 per share and net proceeds receivable by the Company under the placing were estimated to be approximately HK$7.8 million after deducting relevant expenses incurred. The top-up placing of shares was subsequently completed on 21 September 2012 with an aggregate of 42,400,000 shares at HK$0.189 per placing share. The net proceeds from the top-up placing were approximately HK$7.9 million, which were applied towards part of the acquisition of the coal trading business.

On 12 December 2012, the Company entered into a subscription agreement pursuant to which 47,000,000 shares at a subscription price of HK$0.17 per share would be allotted and issued. The conditions under the subscription agreement had been fulfilled and completion of the subscription took place on 21 December 2012. Net proceeds of approximately HK$8.0 million would be applied as general working capital of the Group.

On 12 December 2012, the Company entered into a placing agreement with the placing agent pursuant to which the placing agent agreed to procure, on a best effort basis, not less than six placees to subscribe for the convertible bonds. The bondholders would be entitled to convert upto 150,000,000 shares at a conversion price of HK$0.20 per conversation share with an aggregate principal amount up to HK$30 million. The maximum net proceeds from the full exercise of the bonds were estimated to be approximately HK$29.4 million, which would be used to fund the acquisition of equity interests in potential business in the future. The placing was duly passed by shareholders at the Extraordinary General Meeting held on 8 February 2013 but lapsed on 5 April 2013 as the conditions in placing agreement were not fulfilled.

On 6 February 2013, Silver Summit entered into a conditional sale and purchase agreement pursuant to which Silver Summit would acquire 100% equity interest in Digital Rainbow Holdings Limited ("Digital Rainbow") for an aggregate consideration of HK$156,250,000. On 3 May 2013, the Company and the placing agent entered into a placing agreement, pursuant to which the placing agent conditionally agreed, on a best effort basis, to procure one or more placees to purchase up to 250,000,000 shares at a placing price which would be higher of HK$0.20 per share or the price per share which represented 30% discount of the average closing price per share for five trading days immediately prior to the price determinations date.

On 3 May 2013, the Company and the placing agent also entered into a bond placing agreement, pursuant to which the placing agent has conditionally agreed, on a best effort basis, to place to one or more bond placees to subscribe for the bonds of up to an aggregate principal amount of HK$80 million. Warrants would be issued (for no additional payment) to the first registered holder of the bonds on the basis of 1,625,000 warrants for every whole multiple of HK$1,000,000 in the principal amount of the bonds taken up, with an exercise price of HK$0.24 per share. The warrants were detachable from the bonds. While the bonds were non-transferrable, the warrants could be transferred individually and separately from the bonds. The bonds were secured by the corporate guarantee of the Group's subsidiary and shares of certain shareholders of the Company.

The aggregate net proceeds from the share placing and the bond placing would be in an approximate amount not exceeding HK$124.3 million and it is intended it would be applied as to (i) HK$108.0 million to settle the cash portion of the consideration of the proposed acquisition of the iron trading business; (ii) approximately HK$2.0 million to settle the professional fees for the proposed acquisition; and (iii) the remaining balance of not more than HK$14.3 million to be used as the future working capital of the Group. Further details of the acquisition and the share placing and the bond placing can be referred to the announcements dated 6 February 2013, 6 March 2013, 28 March 2013, 5 April 2013, 30 April 2013, 3 May 2013 and 31 May 2013 and a circular containing further details to be despatched to shareholders in due course.

FINANCIAL REVIEW

For the year ended 31 March 2013, the turnover of the Group was decreased to approximately HK$48.3 million (31 March 2012: approximately HK$104.4 million), representing a decrease by approximately 53.8% when compared with the corresponding year of 2012. This decrease in turnover was mainly attributed to decrease in orders from overseas customers due to unpredictable global economic conditions and the weakening of the customer confidence and demand. In terms of geographical segments, South East Asia, Australia and PRC were still our major markets, which represented approximately 30.7%, 17.9% and 16.4% of the Group's turnover.

The gross profit margin of the Group for the year ended 31 March 2013 was dropped to approximately 16.5% (31 March 2012: approximately 24.5%) and the gross profit was dropped to approximately HK$7.9 million (31 March 2012: approximately HK$25.6 million), representing a decrease by approximately 69.0% compared to the corresponding year of 2012. The decrease in gross profit margin was mainly attributed to the escalating costs in raw materials and direct labours which could not be fully transferred to the customers.

The Group's selling expenses for the year ended 31 March 2013 was decreased by approximately 53.0% to approximately HK$1.6 million compared to approximately HK$3.3 million for the corresponding year of 2012. The decrease was mainly attributed to the savings in sales activities that were considered in line with the decrease in turnover.

The Group's administrative expenses for the year ended 31 March 2013 were decreased by approximately 12.3% to approximately HK$12.7 million compared to approximately HK$14.5 million for the corresponding year of 2012. During the year ended 31 March 2013, the Group incurred initial set-up and supportive costs for its expansion into the mineral trading business, which had offset the savings in other administrative expenses when compared to the corresponding year of 2012.

The Group's other operating expenses for the year ended 31 March 2013 were significantly increased to approximately HK$8.4 million compared to approximately HK$0.6 million for the corresponding year of 2012. The increase was mainly attributed to increase in legal, professional and consultancy fees in relation to the acquisition and set-up costs for further expansion of the Group to diversify its mineral business stream during the year.

The Group's loss attributable to shareholders for the year ended 31 March 2013 was approximately HK$13.9 million compared to a profit attributable to shareholders of approximately HK$7.7 million for the corresponding year of 2012. The loss incurred by the Group can be summarised as mainly attributable to approximately 53.8% decrease in turnover, approximately 8.0% decrease in the Group's overall gross profit margin and approximately HK$7.8 million increase in other operating expenses, though there was an approximately HK$3.6 million savings in selling and administrative expenses.

Liquidity, financial resources and capital structure

	2013	2012
	HK$'000	*HK$'000*
	(approx.)	(approx.)
Current assets	**41,570**	105,071
Current liabilities	**4,542**	10,459
Current ratio	**9.2**	10.0

The current ratio of the Group as at 31 March 2013 was 9.2 times which was maintained at a steady level as compared with 10.0 times as at 31 March 2012.

As at 31 March 2013, the Group had bank and cash balances of approximately HK$31.5 million (2012: approximately HK$86.7 million) and had no external borrowings.

As at 31 March 2013, the Group's gearing ratio represented by the total liabilities as a percentage of the Group's total assets amounted to approximately 3.0% (2012: approximately 9.1%). The decrease in the gearing ratio was mainly attributable to the enlarged asset base from the equity funding during the year.

The Group maintained a strong financial position throughout the year. The Group financed its operations and business development through its retained profits and equity funding during the year under review.

On 12 June 2012, the Company announced to propose to raise approximately HK$51 million through a placing of 300,000,000 shares on a best effort basis by the placing agent at the price of HK$0.17 per share. The placing was subsequently completed on 27 September 2012 with an aggregate of 247,448,000 shares at HK$0.17 per placing share. The net proceeds from the placing were approximately HK$40.8 million, which were applied towards part of the acquisition of the coal trading business.

On 19 September 2012, the Company announced to propose to raise approximately HK$8.0 million through a top-up placing of 42,400,000 shares on a best effort basis by the placing agent at the price of HK$0.189 per share. The top-up placing of shares was subsequently completed on 21 September 2012 with an aggregate of 42,400,000 shares at HK$0.189 per placing share. The net proceeds from the top-up placing were approximately HK$7.9 million, which were applied towards part of the acquisition of the coal trading business.

On 12 December 2012, the Company entered into a subscription agreement pursuant to which 47,000,000 shares at a subscription price of HK$0.17 per share would be allotted and issued. The subscription took place on 21 December 2012 and the net proceeds of approximately HK$8.0 million would be applied as general working capital of the Group.

Contingent liabilities and pledge of assets

As at 31 March 2013, the Group and the Company had no significant contingent liabilities and no charges on its assets (2012: Nil).

Significant Investments

As at 31 March 2013, the Group had an investment in an associate with a carrying value of HK$100,274,000 (2012: Nil).

Future plans for material investments and capital assets

Save as disclosed in the "Management Discussion and Analysis" section above in relation to the proposed acquisition of Digital Rainbow Holdings Limited at a consideration of HK$156,250,000, the Group did not have other plans for material investments and capital assets.

Material acquisitions and disposals of subsidiaries and affiliated companies

Save as disclosed in the "Management Discussion and Analysis" section above in relation to the acquisition of 33.3% equity interests of Royal Dragon Corporation Limited on 27 September 2012 at a consideration of HK$100,000,000, the Group did not have other material acquisitions and disposals of subsidiaries and affiliated companies.

Foreign currency exposures

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Treasury policies

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2013, the Group had 76 (2012: 74) employees, including the Directors. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. The Group also participates in a retirement benefit scheme for its staff in the PRC and a defined statutory mandatory provident fund scheme to its employees in Hong Kong. The Group has adopted a share option scheme of which the Board may, at its discretion, grant options to eligible participants of the share option scheme. As at the date of this report, a total of 43,200,000 share options remain unexercised.

OUTLOOK

Going forward in next year, the Group would carry out its business plan with certain fine tunings as necessary as set out in the prospectus of the Company dated 30 September 2010 for existing fresh and dried noodle business by (i) improving its operation mode with its newly installed production lines so as to uplifting its production capacity and efficiency to cater for the demand in the PRC domestic market; (ii) exploring business opportunities in existing and new markets, enhancing the Group's corporate profile and re-evaluating the effectiveness of setting up new overseas sale offices; (iii) carrying out marketing and brand building activities through strengthening communication channels with customers, participating in tradeshows and marketing campaigns, product advertisements and regularly updating marketing materials such as poster brochures and leaflets and product information in its website so as to expand its customer base and hence the sales in the PRC domestic market; and (iv) strengthening product development by improving the taste, ingredient, quality, appearance and packaging of the Group's existing and new products to cater for customer appetites in the PRC domestic market.

In addition to the acquisition of the coal trading business in September 2012, the Group is also identifying further investment opportunity to diversify its existing business through acquisition of 100% equity interest in an iron trading business. Currently, contrary to most western and developing countries, China is still sustaining admirable growth rates both on its GDP and domestic consumption. The continued development and urbanization of the PRC would continually create increasing demand of mineral resources and form the key driver for the Group's business development in its mineral trading business. The proposed acquisition represents a good opportunity for the Group to further develop its mineral trading business and the Group would be able to benefit from the revenue stream and the profit contribution upon completion of the acquisition.

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

Save for the placing of the Company's new shares as disclosed in note 14(c) to the announcement, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the year.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance to protect the interests of shareholders and enhance shareholder value.

The Company acknowledges the important role of its Board in providing effective leadership and direction to the Group's business, and ensuring accountability, transparency, fairness and integrity of the Company's operations.

Throughout the year ended 31 March 2013, the Company has complied with the code provisions (the "CG Code") set out in Corporate Governance Code and Corporate Governance Report set out in the Appendix 15 to the GEM Listing Rules.

The Board will continue to monitor and review the corporate governance principle and practices to ensure compliance.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its securities dealing code (the "Own Code") regarding Directors' dealings in the Company's securities by the Directors, senior personnel and certain employees of the Group (who are likely to be in possession of unpublished price sensitive information in relation to the Company or its securities) on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings"). Specific enquiry has been made of the Directors and all of them have confirmed that they have complied with the required standards set out in the Required Standard of Dealings and the Own Code throughout the year.

No incident of non-compliance of the Required Standard of Dealings and the Own Code by the Directors and relevant employees was noted by the Company.

In case when the Company is aware of any restricted period for dealings in the Company's securities, the Company will notify its Directors and relevant employees in advance.

SCOPE OF WORK OF RSM NELSON WHEELER

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 March 2013 have been agreed by the Group's auditor, RSM Nelson Wheeler, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 March 2013. The work performed by RSM Nelson Wheeler 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 RSM Nelson Wheeler on the preliminary announcement.

REVIEW BY THE AUDIT COMMITTEE

The annual results for the year ended 31 March 2013 have been reviewed by the Audit Committee of the Company, which is of the opinion that the information contained therein had complied with the disclosure requirements of the GEM Listing Rules, and that adequate disclosures has been made.

By order of the Board
Wealth Glory Holdings Limited
Lee Yau Lin, Jenny
Chairman

Hong Kong, 24 June 2013

As at the date of this announcement, the Company's executive directors are Ms. Lee Yau Lin, Jenny, Mr. Wong Wing Fat and Mr. Wong Ka Wah, Albert and the Company's independent non-executive directors are Mr. Ho Wai Hung, Ms. Cheung Kin, Jacqueline and Ms. Mak Yun Chu.

This announcement, for which the directors of the Company (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting. This announcement will also be posted on the website of the Company at www.lmfnoodle.com.