偉 俊 礦 業 集 團 有 限 公 司 *

Wai Chun Mining Industry Group Company Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 0660)

2013 ANNUAL RESULTS ANNOUNCEMENT

The board (the "**Board**") of directors ("**Directors**") of Wai Chun Mining Industry Group Company Limited (the "**Company**") hereby announces the consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2013 together with the comparative figures of 2012 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2013

	Notes	2013 HK$'000	2012 HK$'000 (re-presented)
Continuing operations			
Revenue	4	**373,582**	380,680
Cost of sales		**(364,784)**	(363,979)
Gross profit		**8,798**	16,701
Other revenue		**2,348**	4,138
Selling expenses		**(4,870)**	(9,476)
Administrative expenses		**(29,136)**	(30,766)
Impairment loss on prepayments and other receivables		**(937)**	(23,848)
Finance costs	5	**(5,724)**	(7,489)
Loss before tax		**(29,521)**	(50,740)
Income tax (expense) credit	6	**(594)**	1,211
Loss for the year from continuing operations	7	**(30,115)**	(49,529)
Discontinued operation			
Loss for the year from discontinued operation	8	**(677)**	5,765
Loss for the year		**(30,792)**	(43,764)

* *for identification purposes only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS *(CONTINUED)*

For the year ended 31 December 2013

	Note	**2013**	2012
	Note	***HK$'000***	*HK$'000*
			(re-presented)
(Loss) profit for the year attributable to owners of the Company:			
— from continuing operations		**(21,994)**	(35,635)
— from discontinued operation		**(176)**	1,500
Loss for the year attributable to owners of the Company		**(22,170)**	(34,135)
(Loss) profit for the year attributable to non-controlling interests			
— from continuing operations		**(8,121)**	(13,894)
— from discontinued operation		**(501)**	4,265
Loss for the year attributable to non-controlling interests		**(8,622)**	(9,629)
		(30,792)	(43,764)
Loss per share	*10*		
From continuing and discontinued operations			
— Basic *(HK cents)*		**(0.14)**	(0.22)
— Diluted *(HK cents)*		**(0.14)**	(0.22)
From continuing operations			
— Basic *(HK cents)*		**(0.14)**	(0.23)
— Diluted *(HK cents)*		**(0.14)**	(0.23)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2013

	2013	2012
	HK$'000	*HK$'000*
Loss for the year	**(30,792)**	(43,764)
Other comprehensive income (expense)		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**1,233**	(53)
Other comprehensive income (expense), net of tax	**1,233**	(53)
Total comprehensive expenses for the year	**(29,559)**	(43,817)
Total comprehensive expenses attributable to:		
— Owners of the Company	**(21,655)**	(34,155)
— Non-controlling interests	**(7,904)**	(9,662)
	(29,559)	(43,817)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2013

	Notes	2013 HK$'000	2012 HK$'000
Non-current assets			
Property, plant and equipment		**35,161**	35,125
Prepaid land lease payments		**37,282**	16,366
Prepayments for acquisition of land use rights		**—**	7,016
Prepayments for acquisition of property, plant and equipment		**335**	761
		72,778	59,268
Current assets			
Inventories		**37,916**	83,944
Prepaid land lease payments		**786**	334
Trade receivables	*11*	**13,720**	144,044
Deposits, prepayments and other receivables		**16,016**	33,318
Tax recoverable		**2**	368
Pledged bank deposits		**—**	45,402
Bank balances and cash		**6,916**	14,242
		75,356	321,652
Assets classified as held for sale	*8*	**61,990**	—
		137,346	321,652
Current liabilities			
Trade payables	*12*	**35,387**	54,060
Accruals and other payables		**26,753**	47,596
Amounts due to a non-controlling shareholder of a subsidiary		**1,298**	—
Borrowings	*13*	**35,509**	208,759
Obligation under a finance lease		**—**	6
		98,947	310,421
Liabilities directly associated with assets classified as held for sale	*8*	**67,427**	—
		166,374	310,421

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(CONTINUED)*

At 31 December 2013

	Note	2013 HK$'000	2012 HK$'000
Net current (liabilities) assets		**(29,028)**	11,231
Total assets less current liabilities		**43,750**	70,499
Non-current liability			
Amounts due to an ultimate holding company		**(11,836)**	(49,826)
Total assets less liabilities		**31,914**	20,673
Capital and reserves			
Share capital		**38,637**	38,637
Convertible preference shares	*14*	**2,040**	—
Reserves		**(31,161)**	(48,266)
Equity (capital deficiency) attributable to owners of the Company		**9,516**	(9,629)
Non-controlling interests		**22,398**	30,302
Total equity		**31,914**	20,673

1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office of the Company is Floor 4, Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands and the principal place of business of the Company is 13/F., Admiralty Centre 2, 18 Harcourt Road, Admiralty, Hong Kong.

The functional currency of the Company is Renminbi ("RMB"). The consolidated financial statements are presented in Hong Kong dollars for the convenience of the investors as its shares are listed on the Stock Exchange.

The principal activities of the Group during the year are (i) the trading of athletic and athletic-style leisure footwear, working shoes, safety shoes, golf shoes and other functional shoes; (ii) the manufacture and sale of modified starch and other biochemical products; (iii) agency trade of other biochemical products; and (iv) general trading.

The ultimate holding company of the Group is Wai Chun Investment Fund ("Wai Chun"), a private investment fund incorporated in the Cayman Islands with limited liability.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Notwithstanding that the Group incurred a loss of approximately HK$30,792,000 for the year ended 31 December 2013 and net current liabilities of approximately of HK$29,028,000 as at 31 December 2013, these consolidated financial statements have been prepared on a going concern basis as the directors of the Company are satisfied that the liquidity of the Group can be maintained in the coming year taking into consideration of the following arrangements:

(i) The Company has undrawn loan facilities of approximately HK$50,931,000 granted by its ultimate holding company, Wai Chun, which will be provided on a sub-ordinated basis, i.e. Wai Chun will not demand the Company for repayment until all other liabilities of the Group had been satisfied;

(ii) In addition to the loan facilities stated above, Wai Chun has also undertaken to provide adequate funds to enable the Group to meet in full its financial obligations when they fall due; and

(iii) The directors have carried out a detailed review of the cash flow forecast of the Group for the twelve months ending 31 December 2014 taking into account the impact of disposal of a non-wholly owned subsidiary subsequent to the end of the reporting period.

In view of the above, the directors of the Company believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for future liabilities which might arise and to reclassify non-current assets and non-current liabilities to current respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009 - 2011 Cycle
Amendments to HKFRS1	Government Loans
Amendments to HKFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HK(IFRIC) — Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except for as described below, the application of the above new or revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impact of the application of HKFRS 10

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 changes the definition of control such that an investor has control over an investee when (a) it has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee.

The directors of the Company made an assessment as at the date of initial application of HKFRS 10 (i.e. 1 January 2013) in respect of the Group's control in its investees under the new definition in the new and revised HKFRSs, and conclude that the application of the new standard has no impact on the classification of investees currently reported in the consolidated financial statements.

HKFRS 12 "Disclosure of Interests in Other Entities"

HKFRS 12 "Disclosure of Interests in Other Entities" specifies the disclosure requirements for subsidiaries, joint arrangements and associates, and introduces new disclosure requirements for unconsolidated structure entities.

The adoption of HKFRS 12 only affects the disclosures relating to the Group' subsidiaries in the consolidated financial statements. HKFRS 12 has been applied retrospectively.

HKFRS 13 Fair Value Measurement

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply 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 for share-based payment transactions that are within the scope of HKFRS 2 "Share-based Payment", leasing transactions that are within the scope of HKAS 17 "Leases", and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application. In accordance with the transitional provisions of HKFRS 13, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The Group has applied the amendments to HKAS 1 "Presentation of Items of Other Comprehensive Income". Upon the adoption of the amendments to HKAS 1, the Group's 'statement of comprehensive income' is renamed as the 'statement of profit or loss and 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. Furthermore, 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 do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

New and revised HKFRSs issued but not yet effective

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

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012[3]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013[2]
HKFRS 9	Financial Instruments[4]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[4]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[1]
HKFRS 14	Regulatory Deferral Accounts[5]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[2]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting[1]
HK(IFRIC) — Int 21	Levies[1]

1 Effective for annual periods beginning on or after 1 January 2014, with earlier application permitted.

2 Effective for annual periods beginning on or after 1 July 2014, with early application is permitted.

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

4 Available for application — the mandatory effective date will be determined when the outstanding phase of HKFRS 9 is finalised.

5 Effective for annual periods beginning on or after 1 January 2016.

The directors of the Company anticipate that the application of these new and revised standards, amendments and interpretations will have no material impact on the consolidated financial statements.

4. SEGMENT INFORMATION

The chief operating decision maker ("CODM") has been identified as the Group's senior executive management. The CODM reviews the Group's internal reporting for resource allocation and assessment of performance.

For management purposes, the Group's reportable segments under HKFRS 8 are as follows:

Footwear	— Trading of athletic and athletic-style leisure footwear, working shoes, safety shoes, golf shoes and other functional shoes
General trading	— Trading of electronic parts and components and electrical appliances
Modified starch and other biochemical products	— Manufacture and sale of modified starch and other biochemical products

The reportable segments have been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs that are regularly reviewed by the CODM of the Company.

Agency trade business was discontinued in the current year. The segment information reported does not include any amounts for the discontinued operation, which is described in more detail in note 8.

Segments profit (loss) represents profit earned or loss incurred by each segment without allocation of other revenue, impairment loss on prepayments and other receivables, central administration costs (including directors' salaries) and finance costs.

Business segments

Segment revenues and results

The following is an analysis of the Group's revenues and results from continuing operations by reportable and operating segment:

For the year ended 31 December 2013

	Continuing operations			
	Modified starch and other biochemical products *HK$'000*	**Footwear** *HK$'000*	**General trading** *HK$'000*	**Total** *HK$'000*
Segment revenue	**321,775**	**28,927**	**22,880**	**373,582**
Segment results	**(11,067)**	**(6,559)**	**65**	**(17,561)**
Other revenue				**2,348**
Impairment loss on prepayments and other receivables				**(937)**
Central administration costs				**(7,647)**
Finance costs				**(5,724)**
				(29,521)
Income tax expense				**(594)**
Loss for the year from continuing operation				**(30,115)**

For the year ended 31 December 2012 (re-presented)

	Continuing operations			
	Modified starch and other biochemical products	Footwear	General trading	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	369,740	10,940	—	380,680
Segment results	(6,890)	(7,059)	—	(13,949)
Other revenue				4,138
Impairment loss on prepayments and other receivables				(23,848)
Central administration costs				(9,592)
Finance costs				(7,489)
				(50,740)
Income tax credit				1,211
Loss for the year from continuing operation				(49,529)

Revenue reported above represents revenue generated from external customers. There was no inter-segment sale for both years.

Segment assets and liabilities

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

At 31 December 2013

	Continuing operations				Discontinued operation	
	Modified starch and other biochemical products *HK$'000*	Footwear *HK$'000*	General trading *HK$'000*	Subtotal *HK$'000*	Agency trade business *HK$'000*	Consolidated *HK$'000*
Assets						
Segment assets	**196,674**	**8,638**	**3,383**	**208,695**	**—**	**208,695**
Unallocated assets						**1,429**
Consolidated assets						**210,124**
Liabilities						
Segment liabilities	**157,737**	**3,084**	**50**	**160,871**	**—**	**160,871**
Unallocated liabilities						**17,339**
Consolidated liabilities						**178,210**
Geographical assets						
Hong Kong						**13,451**
The People's Republic of China (the "PRC")						**196,673**
						210,124

At 31 December 2012 (re-presented)

	Continuing operations				Discontinued operation	
	Modified starch and other biochemical products	Footwear	General trading	Subtotal	Agency trade business	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Assets						
Segment assets	252,092	3,119	—	255,211	123,355	378,566
Unallocated assets						2,354
Consolidated assets						380,920
Liabilities						
Segment liabilities	260,517	13,203	—	273,720	63,392	337,112
Unallocated liabilities						23,135
Consolidated liabilities						360,247
Geographical assets						
Hong Kong						5,474
PRC						375,446
						380,920

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

- assets used jointly by segments are allocated on the basis of the revenues earned by individual segments; and

- liabilities for which segments are jointly liable are allocated in proportion to segment assets.

Other segment information

For the year ended 31 December 2013

	Modified starch and other biochemical products *HK$'000*	**Footwear** *HK$'000*	**General trading** *HK$'000*	**Total** *HK$'000*
Continuing operations				
Additions to property, plant and equipment	**4,541**	**5**	**—**	**4,546**
Depreciation and amortisation	**3,489**	**244**	**—**	**3,733**
Prepayments for acquisition of property, plant and equipment	**335**	**—**	**—**	**335**

For the year ended 31 December 2012

	Modified starch and other biochemical products *HK$'000*	Footwear *HK$'000*	General trading *HK$'000*	Total *HK$'000*
Continuing operations				
Additions to property, plant and equipment	16,062	23	—	16,085
Depreciation and amortisation	2,613	242	—	2,855
Prepayments for acquisition of land use rights	7,016	—	—	7,016
Prepayments for acquisition of property, plant and equipment	761	—	—	761

Geographical information

For the years ended 31 December 2013 and 2012, the Group's operations were principally located in Hong Kong (country of domicile), PRC and The Republic of Korea (the "Korea") with revenue and profits from its operations.

The following is an analysis of the Group's revenue from continuing operations from external customers and non-current assets by geographical location:

	Revenue from external customers		**Non-current assets**	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**51,806**	10,940	**298**	537
Korea	**32,055**	37,487	**—**	—
PRC	**284,921**	264,438	**72,480**	58,731
Others	**4,800**	67,815	**—**	—
	373,582	380,680	**72,778**	59,268

Information on major customers

For the year ended 31 December 2013, included in revenue arising from sales of modified starch and other biochemical products of approximately HK$321,775,000 are revenue of approximately HK$84,247,000 and HK$37,631,000 respectively arising from sales to the Group's two largest customers. For the year ended 31 December 2012, included in revenue arising from sales of modified starch and other biochemical products of approximately HK$369,740,000 are revenue of approximately HK$62,123,000 arising from sales to the largest customer of the Group.

No other single customer contributed 10% or more to the Group's sale for both years.

Information on major suppliers

For the year ended 31 December 2013, included in purchases arising from purchases of modified starch and other biochemical products of approximately HK$358,451,000 is purchases of approximately HK$107,370,000 arising from purchases from the largest supplier of the Group. For the year ended 31 December 2012, included in purchases arising from purchases of modified starch and other biochemical products of approximately HK$382,731,000 are purchases of approximately HK$205,762,000 and approximately HK$54,108,000 respectively arising from purchases from the Group's two largest suppliers.

No other single supplier contributed 10% or more to the Group's purchases for both years.

5. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Continuing operations		
Interest on:		
— Bank loans, bank overdrafts and bills payables wholly repayable within five years	**3,786**	6,060
— Finance lease	**—**	7
— Loan from an ultimate holding company	**1,778**	1,262
— Short-term loan from an independent third party	**160**	160
Total	**5,724**	7,489

6. INCOME TAX (EXPENSE) CREDIT

	2013	2012
	HK$'000	*HK$'000*
Continuing operations		
The tax (expense) credit comprises:		
(Under) over-provision in prior years:		
Hong Kong	**—**	—
PRC	**(594)**	1,211
Total income tax (expense) credit	**(594)**	1,211

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits in Hong Kong for the year (2012: HK$Nil).

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2012: 25%).

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

	2013	2012
	HK$'000	*HK$'000*
		(re-presented)
Loss before tax	**(29,521)**	(50,740)
Tax at the domestic income tax rate of 16.5% (2012: 16.5%)	**(4,871)**	(8,372)
Effect of different tax rates of subsidiaries operating in other jurisdiction	**(1,096)**	(1,854)
Tax effect of expenses not deductible for tax purpose	**1,735**	3,630
Tax effect of deductible temporary differences not recognised	**35**	31
Tax effect of tax losses not recognised	**4,197**	6,565
(Under) over-provision in prior year	**(594)**	1,211
Income tax (expense) credit for the year (relating to continuing operations)	**(594)**	1,211

7. LOSS FOR THE YEAR FROM CONTINUING OPERATIONS

Loss for the year is arrived at after charging (crediting) the following items:

	2013 *HK$'000*	2012 *HK$'000* *(re-presented)*
Auditor's remuneration	**500**	500
Cost of inventories	**367,427**	363,813
Interest expenses	**5,724**	7,489
Impairment loss on trade receivables	**—**	3,818
Impairment loss on prepayments and other receivables	**937**	23,848
Depreciation on property, plant and equipment	**3,168**	2,684
Loss (gain) on disposal of property, plant and equipment	**490**	(2)
Net exchange loss	**2,325**	624
Amortisation on prepaid land lease payments	**565**	215
Staff costs (including directors' emoluments and retirement benefit costs)	**12,132**	11,688

8. DISCONTINUED OPERATION/DISPOSAL GROUP HELD FOR SALE

On 30 October 2013, Weifang Century-light Biology Science Company Limited ("Weifang Century-light"), being a non-wholly owned subsidiary of the Company, entered into a sale and purchase agreement with an independent purchaser, in relation to the disposal of its entire 51% equity interests of Century-light Industry Company Limited ("Century-light") at a consideration of approximately RMB6,630,000 (equivalent to approximately HK$8,360,000). The disposal was completed on 25 March 2014.

As a result, the agency trade business segment had been classified as discontinued operation for both years. The comparative information for the year ended 31 December 2012 was re-presented due to presentation of discontinued operation. Assets and liabilities of Century-light were presented as held for sale as at 31 December 2013.

The results of discontinued operation for both years are presented as follows:

	2013 *HK$'000*	2012 *HK$'000* (re-presented)
Revenue	**514**	5,998
Administrative expenses	**(1,191)**	(233)
Loss before tax from discontinued operation	**(677)**	5,765
Income tax expense	**—**	—
(Loss) profit for the year from discontinued operation	**(677)**	5,765
Attributable to non-controlling interests	**(501)**	4,265
(Loss) profit for the year from discontinued operation attributable to owners of the Company	**(176)**	1,500

The net cash flow from discontinued operation is as follows:

	2013	2012
	HK$'000	*HK$'000*
Net cash (used in) generated from operating activities	**(176)**	1,500

The major classes of assets and liabilities of the Century-light as at 31 December 2013, which have been presented separately in the consolidated statement of financial position, are as follows:

	2013
	HK$'000
Property, plant and equipment	**1,144**
Inventories	**46,872**
Trade receivables	**5,115**
Deposits, prepayments and other receivables	**7,281**
Pledged bank deposits	**1,471**
Bank balances and cash	**107**
Assets classified as held for sale	**61,990**
Trade payables	**3,036**
Accruals and other payables	**16,304**
Amounts due to a non-controlling shareholder of a subsidiary	**6,517**
Borrowings	**20,957**
Amounts due to an ultimate holding company	**20,613**
Liabilities directly associated with assets classified as held for sale	**67,427**

9. DIVIDEND

No dividend was paid or proposed during 2013 and 2012, nor has any dividend been proposed since the end of the reporting period.

10. LOSS PER SHARE

For continuing and discontinued operations

The calculation of basic loss per share was based on the Group's loss attributable to owners of the Company of approximately HK$22,170,000 (2012: approximately HK$34,135,000) and the number of ordinary shares of 15,454,685,376 (2012: 15,454,685,376) in issue during both the years.

From continuing operations

	2013	2012
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**22,170**	34,135
Less: loss (profit) for the year from discontinued operation attributable to owners of the Company	**176**	(1,500)
Loss for the purpose of basic and diluted loss per share from continuing operations attributable to owners of the Company	**21,994**	35,635

The denominators used are the same as those detailed above for both basic and diluted loss per share.

From discontinued operation

Basic loss per share for the discontinued operation attributable to owners of the Company is HK0.001 cents per share (2012: basic earnings per share is HK0.01 cents per share), based on the loss for the year from discontinued operation attributable to owners of the Company of approximately HK$176,000 (2012: profit for the year from discontinued operation attributable to owners of the Company of approximately HK$1,500,000) and the denominators detailed above for both basic and diluted loss per share.

Effective of dilutive potential shares in respect of convertible preference shares would result in anti-dilutive effect in calculation of diluted loss per share in continuing and discontinued operations. Therefore the basic and diluted loss per share in 2013 and 2012 are the same.

11. TRADE RECEIVABLES

	2013	2012
	HK$'000	*HK$'000*
Trade receivables	**17,538**	24,507
Receivables from agency trade business	**—**	123,355
	17,538	147,862
Less: provision for impairment	**(3,818)**	(3,818)
Total	**13,720**	144,044

The Group allows average credit period of 30 to 180 days to its customers. Receivables that were current relate to customers for whom there was no recent history of default. As at 31 December 2013, the Group has assessed the recoverability of the receivables past due and made a provision for impairment. The provision for impairment is made unless the Group has concluded that recovery is remote, in which case the unrecovered loss is written off against trade receivables and the provision for impairment directly. The Group does not hold any collateral over these balances.

The aging analysis of trade receivables based on the invoice date and net of provision for impairment, as at the reporting date is as follows:

	2013	2012
	HK$'000	*HK$'000*
0-30 days	**10,860**	50,157
31-60 days	**156**	17,665
61-90 days	**76**	25,773
91-180 days	**25**	48,999
Over 180 days	**2,603**	1,450
Total	**13,720**	144,044

The movements in the provision for impairment of trade receivables are as follows:

	2013	2012
	HK$'000	*HK$'000*
At 1 January	**3,818**	—
Provision for impairment	**—**	3,818
At 31 December	**3,818**	3,818

The aging analysis of trade receivables which are past due but not impaired, is as follows:

	2013	2012
Overdue by:	***HK$'000***	*HK$'000*
0-30 days	**231**	278
31-60 days	**129**	449
61-90 days	**17**	215
91-180 days	**39**	484
Over 180 days	**2,187**	24
Total	**2,603**	1,450

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary, in respect of these balances as there has not been any significant change in the credit quality of these customers and the balances are still considered to be fully recoverable.

12. TRADE PAYABLES

The average credit period on purchases of goods ranges from 30 to 180 days (2012: 30 to 180 days). The Group has financial risk management policies to ensure that all payables are paid within the credit timeframe. The following is an aging analysis of trade payables based on the invoice date:

	2013	2012
	HK$'000	*HK$'000*
0-30 days	**26,565**	26,248
31-60 days	**4,000**	14,288
61-90 days	**3,051**	2,062
91-180 days	**504**	8,263
Over 180 days	**1,267**	3,199
Total	**35,387**	54,060

13. BORROWINGS

	2013	2012
	HK$'000	*HK$'000*
Bank loans *(Note a)*	**32,939**	80,597
Loan from an independent third party *(Note b)*	**2,570**	2,570
Bills payables	—	62,200
Bills payables in relation to agency trade business	—	63,392
Total	**35,509**	208,759
Secured	**32,939**	206,189
Unsecured	**2,570**	2,570
Total	**35,509**	208,759

Notes:

(a) It was secured by a guarantee given by a non-controlling shareholder of a subsidiary and the pledge of the land use rights of approximately of HK$29,464,000. All bank loans are denominated in Renminbi with variable interest rate from 4.9% to 11.0% (2012: 4.9% to 11.0%) per annum.

(b) Bearing interest at 1% above Hong Kong Prime Rate granted by Standard Chartered Bank (Hong Kong) Limited per annum during the year.

14. CONVERTIBLE PREFERENCE SHARES

	Number of convertible preference shares of HK$0.0025 each	Amount
		HK$'000
At 1 January 2013	—	—
Issue of convertible preference shares	816,000,000	2,040
At 31 December 2013	816,000,000	2,040

On 3 October 2013, the Company issued 816,000,000 convertible preference shares of par value of HK$0.0025 at issue price of HK$0.05 per share. The convertible preference shares are non-redeemable, carry no voting right and each of the convertible preference share is convertible into one ordinary immediately before the fifth anniversary of the issue date of convertible shares. The convertible preference shareholder is entitled to receive dividend pari passu with ordinary shareholders on an as converted basis.

15. EVENT AFTER THE REPORTING PERIOD

On 30 October 2013, Weifang Century-light Biology Science Company Limited, being a non-wholly owned subsidiary of the Company, entered into a sale and purchase agreement with an independent purchaser, in relation to the disposal of its entire 51% equity interests of Century-light Industry Company Limited at a consideration of RMB6,630,000 (equivalent to approximately HK$8,360,000). The disposal was completed on 25 March 2014.

EXTRACTS FROM INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the year ended 31 December 2013.

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 December 2013, and of its loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of Matter

The accompanying consolidated financial statements for the year ended 31 December 2013 have been prepared assuming that the Group will continue as a going concern. Without qualifying our opinion, we draw attention to Note 2 to the consolidated financial statements which indicate that the Group incurred a net loss of approximately HK$30,792,000 for the year ended 31 December 2013 and had net current liabilities of approximately HK$29,028,000 as at 31 December 2013. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Management's arrangements to address the going concern issue are also described in Note 2 to the consolidated financial statements. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

FINANCIAL REVIEW

Financial Performance

For the year ended 31 December 2013, the Group recorded a revenue of approximately HK$373,582,000 from continuing operations (2012: approximately HK$380,680,000), representing a decrease of approximately 1.9% as compared to that of 2012. The Group recorded a gross profit and gross profit margin of approximately HK$8,798,000 (2012: approximately HK$16,701,000) and 2.4% (2012: 4.4%) respectively from continuing operations, representing decreases of approximately 47.3% as compared to 2012. Besides, the Group recorded a revenue of approximately HK$514,000 from its discontinued operations (2012: approximately HK$5,998,000).

Selling expenses for continuing operations recorded a decrease of 48.6% from approximately HK$9,476,000 in 2012 to approximately HK$4,870,000 in current year. The decrease in selling expenses is mainly attributable to the decrease in export sales of the PRC subsidiaries. Administrative expenses from continuing operations decreased by 5.3% from approximately HK$30,766,000 in 2012 to approximately HK$29,136,000 in current year.

Loss attributable to owners of the Company from continuing operations for the year amounted to approximately HK$21,994,000 (2012: approximately HK$35,635,000). The decrease in the loss was mainly due to the decrease in impairment loss on prepayments and other receivables from approximately HK$23,848,000 in 2012 to approximately HK$937,000 in current year.

Footwear Business

The footwear business recorded a revenue of approximately HK$28,927,000 (2012: approximately HK$10,940,000) and a segmental loss of approximately HK$6,559,000 in 2013 (2012: approximately HK$7,059,000) respectively, representing an increase of the turnover of approximately HK$17,987,000 and a decrease in segmental loss of approximately HK$500,000 respectively when compared to 2012.

Modified Starch and Other Biochemical Business

The performance of the modified starch business and other biochemical business have deteriorated when compared to that of 2012, which contributed approximately HK$321,775,000 (2012: approximately HK$369,740,000) and approximately HK$11,067,000 (2012: approximately HK$6,890,000) to the Group's turnover and segmental loss respectively, representing a decrease of approximately 13.0% in turnover and an increase of approximately 60.6% in segmental loss when compared to that of 2012.

General Trading Business

The Company commenced its general trading business and recorded a revenue of approximately HK$22,880,000 (2012: HK$Nil) during the year.

Financial Resources and Position

As at 31 December 2013, the Group had net current liabilities of approximately HK$29,028,000 (31 December 2012: net current assets of approximately HK$11,231,000) and cash and cash equivalents of approximately HK$7,023,000 (2012: approximately HK$14,242,000). The Group's cash and cash equivalents are mainly denominated in Hong Kong Dollars, Renminbi and United States Dollars. As at 31 December 2013, the current ratio of the Group was approximately 0.83 times (2012: approximately 1.04 times).

Total borrowings of the Group amounted to approximately HK$96,730,000, comprising borrowings of approximately HK$56,466,000, amounts due to an ultimate holding company of approximately HK$32,449,000 and amounts due to a non-controlling shareholder of a subsidiary of approximately HK$7,815,000. All the above-mentioned borrowings are denominated in Hong Kong Dollars and Renminbi. All of these borrowings are interest bearing at prevailing market interest rates. The net debts (net of cash and cash equivalents) to total assets ratio of the Group is approximately 42.7%, representing a decrease of approximately 21.5% as compared to 2012.

The Group had future minimum lease payments under a non-cancelable operating lease in respect of rented premises amounting to approximately HK$5,915,000. On the basis of the undrawn loan facilities of approximately HK$50,931,000, granted by its ultimate holding company, Wai Chun Investment Fund ("Wai Chun"), which will be provided on a sub-ordinated basis, the directors believe that the Group has sufficient financial resources for its operations. The directors will remain cautious in the Group's liquidity management.

Foreign Currency Fluctuation

For the year ended 31 December 2013, the Group conducted its business transactions principally in Renminbi and US dollars. The Group has not experienced any material difficulties or negative impact on its operations as a result of fluctuations in currency exchange rates. Accordingly, the directors considered that the foreign exchange exposure is relatively limited and no hedging of exchange risk is required. As an internal policy, the Group continues to implement a prudent policy on financial management policy and does not participate in any high risk speculative activities. Nevertheless, the management will continue to monitor the foreign exchange exposure and will take prudent measures when needed.

Pledge of Assets and Contingent Liabilities

As at 31 December 2013, the Group had not provided any financial guarantee and did not have any material contingent liabilities. As at 31 December 2013, the Group's prepaid land lease payments with carrying value of approximately HK$29,464,000 (31 December 2012: approximately

HK$9,944,000) were pledged to secure the bank borrowings. As at 31 December 2013, discontinued operation's bank deposits of approximately HK$1,470,000 (31 December 2012: approximately HK$45,402,000) have been pledged to secure banking facilities granted to discontinued operation.

Loan Capitalisation

Pursuant to a subscription agreement entered into between the Company and Chinese Success Limited (a wholly owned subsidiary of Wai Chun, the "Subscriber") on 26 July 2013 ("Subscription Agreement"), a total of 816,000,000 convertible preference shares were issued at an issue price of HK$0.05 per convertible preference share to the Subscriber by capitalising outstanding amount of approximately HK$40,800,000 due by the Company to Wai Chun ("Loan Capitalisation"). The details of the Subscription Agreement and the Loan Capitalisation were set out in the circular of the Company dated 30 August 2013.

Dividend

The Board has resolved not to recommend the payment of final dividend for the year ended 31 December 2013.

BUSINESS REVIEW

During the year under review, the Group continued to engage in the trading of athletic and athletic-style leisure footwear, working shoes, safety shoes, golf shoes and other functional shoes, and the manufacture and sale of modified starch and other biochemical products. The Group has also engaged in general trading business since the second half year of 2013 and discontinued the agency trade business during the year.

During the year, due to the decrease in price of modified starch and other biochemical products, the modified starch and other biochemical products business have yet to achieve a turnaround in profit. Moreover, Century-light has been continuously operating at a loss since 2012 and its performance has been steadily worsening. The Company has evaluated the situation and determined to discontinue the business carried out by Century-light by disposing of its indirect interest in Century-light, for the thin margin nature of the said business would require significant capital input to achieve a breakeven. On 30 October 2013, the Group entered into an agreement with a buyer to dispose of its entire 51% equity interests of Century-light at a consideration of RMB6.63 million (equivalent to approximately HK$8,360,000) (the "Disposal"). As the Disposal has been completed in March 2014, the profit and loss and assets and liabilities of Century-light is still required to be consolidated to the Group's financial statements for the year under review.

During the year under review, the footwear business continued to be hampered by low consumer spending and keen competition.

OUTLOOK

Aware of the difficulties of the existing business, the Group's management has been seeking ways to strengthen its business portfolio throughout the year. In these circumstances, the Group considers that there exists opportunities in general trading. For the past few months, products traded included (i) electronic equipment, parts and components, such as climatic chambers; pressure gauge and image sensors, etc.; and (ii) other products, such as silica gel and mold release agents, etc. During the year under review, the general trading business achieved profit breakeven. The credit policy for the trade receivables for the general trading business is open credit and not secured and the management will closely monitor and report to the Board the inventory risk and credit risk. It is the Group's policy that receivable balances should be monitored and managed by the management on an ongoing basis to ensure that the Group exposure to bad debt is minimised.

濰坊家友油脂有限公司 ("Weifang You Zhi"), a non-wholly-owned subsidiary of the Company, was set up in the year 2012 with business in production and sales of corn oil products. Weifang You Zhi achieved a close to breakeven in the second half year of 2013. The management of Weifang You Zhi keeps focusing on improving the production technique of Weifang You Zhi and expects Weifang You Zhi to achieve breakeven in year 2014.

In light of the gradual recovery of the PRC economy and continued population growth, the Company believes that the demand in modified starch in the PRC will increase gradually in the long run and the business of manufacture and sale of relevant modified starch and other biochemical products will eventually be benefited. Therefore, the Company intends to focus on its existing business of manufacture and sales of modified starch, biochemical products and corn oil products. Recently, the Group has expanded and upgraded its production facilities with an aim to increase the overall production capacity, enhance efficiency, reduce costs and increase the quality and profit margin of the Group's products. The Group will also seek opportunities to develop other related products to capture the market demand of different modified starch products.

OTHER INFORMATION

Employees

As at 31 December 2013, the Group had a total of 100 employees, the majority of whom are situated in the PRC. In addition to offer competitive remuneration packages to employees, discretionary bonuses and share options may also be granted to eligible employees based on individual performance.

The Group also encourages its employees to pursue a balanced life and provides a good working environment for its employees to maximise their potential and contribution to the Group.

The remuneration committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics, decides the emoluments of the Directors. No Director, or any of his associates, and executive, is involved in dealing his own remuneration.

Material Acquisition and Disposal of Subsidiaries

There was no material acquisition and disposal of subsidiaries for the year ended 31 December 2013. After the end of reporting period, one non-wholly owned subsidiary was disposed on 25 March 2014.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2013.

Code on Corporate Governance Practices

The Company has adopted the code provisions in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 to the Listing Rules as its own code on corporate governance practices. The Company has taken various measures to cope with the latest development in the corporate governance regime.

The Company complied with the code provisions as set out in the Code throughout the year ended 31 December 2013 except that under code provision A.2.1, the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual. The Company does not at present separate the roles of the chairman and chief executive officer. Mr. Lam Ching Kui is the chairman and chief executive officer of the Company. He has extensive experience in project management and securities investments and is responsible for the overall corporate strategies, planning and business development of the Group. The balance of power and authorities is ensured by the operation of the Board which comprised of experienced and high caliber individuals with sufficient number thereof being independent non-executive directors.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the "Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. All directors have confirmed, following specific enquiries by the Company that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2013.

Scope of Work of HLM CPA Limited

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2013 as set out in this announcement have been agreed by the Group's auditor, HLM CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by HLM CPA Limited 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 HLM CPA Limited on this announcement.

Audit Committee

The Company has an audit committee (the "Audit Committee") which was established in accordance with the requirements of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. A meeting of the Audit Committee was held to review the Group's audited consolidated financial statements for the year ended 31 December 2013, in conjunction with the Group's external auditor, HLM CPA Limited.

Appreciation

On behalf of the Board, I would like to take this opportunity to express my gratitude to all the staff and management team for their contribution during the year. I would also like to express my appreciation to the continuous support of our shareholders and investors.

PUBLICATION OF ANNUAL RESULTS AND 2013 ANNUAL REPORT

This results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.0660.hk). The 2013 annual report of the Company for the year ended 31 December 2013 containing all the information required by the Listing Rules will be dispatched to shareholders of the Company and will be available on websites of the Stock Exchange and the Company in due course.

By Order of the Board
Wai Chun Mining Industry Group Company Limited
LAM Ching Kui
Chairman and Chief Executive Officer

Hong Kong, 27 March 2014

As at the date of this announcement, the Board comprises:

Executive Director:
LAM Ching Kui *(Chairman and Chief Executive Officer)*

Independent Non-executive Directors:
CHAN Chun Wai, Tony
HAU Pak Man
TO Yan Ming, Edmond