ABC COMMUNICATIONS (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 30)

FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

The Directors of ABC Communications (Holdings) Limited ("the Company") announce the consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position of the Company and its subsidiaries ("the Group") for the year ended 31 March 2015 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2015

	Notes	**2015** *HK$*	2014 *HK$*
Revenue	*3*	**56,403,923**	59,965,275
Cost of sales		**(42,921,342)**	(45,220,897)
Gross profit		**13,482,581**	14,744,378
Other income and gain	*4*	**420,802**	1,375,004
Decrease in fair value of held for trading investment		**(5,512)**	(4,680)
Realised loss on held for trading investment		**–**	(78,365)
Amortisation of intangible assets		**(25,067,042)**	–
Impairment loss on intangible assets		**(54,977,909)**	–
Selling and distribution expenses		**(1,626,174)**	(1,151,234)
General and administrative expenses		**(45,241,581)**	(40,700,922)
Finance costs	*5*	**(4,965,781)**	(384,778)
Loss before tax	*6*	**(117,980,616)**	(26,200,597)
Income tax expense	*8*	**–**	(54,545)
Loss for the year		**(117,980,616)**	(26,255,142)

	Note	2015 HK$	2014 HK$
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translating foreign operations		**3,143,593**	1,253,237
Total comprehensive expense for the year		**(114,837,023)**	(25,001,905)
Loss for the year		**(117,980,616)**	(26,255,142)
Loss for the year attributable to:			
Owners of the Company		**(82,291,728)**	(23,453,872)
Non-controlling interests		**(35,688,888)**	(2,801,270)
		(117,980,616)	(26,255,142)
Total comprehensive expense for the year		**(114,837,023)**	(25,001,905)
Total comprehensive expense for the year attributable to:			
Owners of the Company		**(80,284,940)**	(23,052,469)
Non-controlling interests		**(34,552,083)**	(1,949,436)
		(114,837,023)	(25,001,905)
Loss per share	*9*		
Basic and diluted		**(4.63 cents)**	(1.62 cents)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

	Notes	2015 HK$	2014 HK$
Non-current assets			
Property, plant and equipment		**68,278,836**	71,632,641
Prepaid lease payments		**1,426,040**	1,528,327
Intangible assets		**351,189,399**	320,637,792
Prepayments for exploration and evaluation activities		**13,521,090**	13,189,290
Prepayment for acquisition of a subsidiary		**–**	60,000,000
Prepayment for purchase of property, plant and equipment		**1,274,000**	–
Available-for-sale investment		**60,000,000**	60,000,000
		495,689,365	526,988,050
Current assets			
Trade receivables	*10*	**3,572,971**	4,798,879
Other receivables, deposits and prepayments		**8,184,405**	23,389,148
Held for trading investment		**12,948**	18,460
Bank balances and cash	*11*	**97,858,042**	40,855,102
		109,628,366	69,061,589
Current liabilities			
Trade and other payables	*12*	**22,402,614**	20,815,998
Bank borrowing	*13*	**7,078,213**	–
Advance subscriptions and licence fees received		**2,162,767**	2,417,113
Amounts due to non-controlling shareholders of subsidiaries		**5,045,836**	4,375,651
Tax payable		**2,220,401**	2,209,690
		38,909,831	29,818,452
Net current assets		**70,718,535**	39,243,137
Total assets less current liabilities		**566,407,900**	566,231,187
Non-current liabilities			
Provision for reinstatement costs		**796,635**	792,792
Bonds	*14*	**65,229,000**	27,667,000
Deferred tax liabilities		**77,169,039**	76,796,772
		143,194,674	105,256,564
		423,213,226	460,974,623
Capital and reserves			
Share capital	*15*	**19,864,152**	16,553,472
Reserves		**276,923,929**	323,443,923
Equity attributable to owners of the Company		**296,788,081**	339,997,395
Non-controlling interests		**126,425,145**	120,977,228
		423,213,226	460,974,623

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2015

1. GENERAL INFORMATION

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

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

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") AND NEW HONG KONG COMPANIES ORDINANCE

In the current year, the Group has applied the following new and revised HKFRSs, which include HKFRSs, Hong Kong Accounting Standards ("HKASs"), amendments and Interpretations ("Int(s)"), issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
Hong Kong (IFRS Interpretations Committee) ("HK(IFRIC)") – Int 21	Levies

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

Amendments to HKFRS10, HKFRS 12 and HKAS 27 Investment Entities

The Group has applied the amendments to HKFRS 10, HKFRS 12 and HKAS 27 *Investment Entities* for the first time in the current year. The amendments to HKFRS 10 define an investment entity and introduce an exception to consolidating subsidiaries for an investment entity, except where the subsidiaries provide services that relate to the investment entity's investment activities. Under the amendments to HKFRS 10, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss.

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

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

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

As the Company is not an investment entity, the directors of the Company consider that the application of the amendments has had no impact on the disclosures or the amounts recognised in the Group's consolidated financial statements.

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities

The Group has applied the amendments to HKAS 32 *Offsetting Financial Assets and Financial Liabilities* for the first time in the current year. The amendments to HKAS 32 clarify existing application issues relating to the offset of the financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

The amendments have been applied retrospectively. As the Group does not have any financial assets and financial liabilities that qualify for offsetting, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

Amendments to HKAS 36 Recoverable Amount Disclosures for Non-Financial Assets

The Group has applied amendments to HKAS 36 *Recoverable Amount Disclosures for Non-Financial Assets* for the first time in the current year. The amendments to HKAS 36 require disclosures on additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. If the recoverable amount is fair value less costs of disposal, an entity shall disclose the level of the fair value hierarchy within which the fair value measurement of the asset or cash generating unit ("CGU") is categorised in its entirety. The Group is required to make additional disclosures for Level 2 and Level 3 of the fair value hierarchy:

- a description of the valuation techniques used to measure the fair value less costs of disposals. If there is any change in valuation techniques, the fact and the reason should also be disclosed;
- each key assumption on which management has based its determination of fair value less costs of disposal; and
- the discount rates used in the current and previous measurement if fair value less costs of disposal is measured using a present value technique.

The amendments have been applied retrospectively. As the Group does not have any impaired non-financial assets which the recoverable amount is based on fair value less costs of disposal, the directors of the Company consider that the application of the amendments has had no material impact on the disclosures in the Group's consolidated financial statements.

HK(IFRIC) – Int 21 Levies

The Group has applied HK(IFRIC) – Int 21 Levies for the first time in the current year. HK(IFRIC) – Int 21 addresses the issue as to when to recognise a liability to pay a levy imposed by government. The Interpretation defines a levy, and specifies that the obligating event that gives rise to the liability is the activity that triggers the payment of the levy, as identified by legislation. The Interpretation provides guidance on how different levy arrangements should be accounted for, in particular, it clarifies that neither economic compulsion nor the going concern basis of financial statements preparation implies that an entity has a present obligation to pay a levy that will be triggered by operating in a future period.

HK(IFRIC) – Int 21 has been applied retrospectively. The directors of the Company consider that the application of this interpretation has had no material impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

Part 9 of Hong Kong Companies Ordinance (Cap. 622)

In addition, the annual report requirements of Part 9 "Accounts and Audit" of the Hong Kong Companies Ordinance (Cap. 622) come into operation during the financial year. As a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

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:

HKFRS 9 (2014)	Financial Instruments[4]
HKFRS 15	Revenue from Contracts with Customers[3]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle[2]
Amendments to HKAS 1	Disclosure Initiative[2]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[2]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[2]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[1]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[2]
Amendments to HKFRS 10 and HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception[2]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[2]

1 Effective for annual periods beginning on or after 1 July 2014.
2 Effective for annual periods beginning on or after 1 January 2016.
3 Effective for annual periods beginning on or after 1 January 2017.
4 Effective for annual periods beginning on or after 1 January 2018.

The directors of the Company anticipate that, except as described below, the application of the new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

HKFRS 9 (2014) Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. A finalised version of HKFRS 9 was issued in 2014 to incorporate all the requirements of HKFRS 9 that were issued in previous years with limited amendments to the classification and measurement by introducing a "fair value through other comprehensive income" ("FVTOCI") measurement category for certain financial assets. The finalised version of HKFRS 9 also introduces an "expected credit loss" model for impairment assessments.

Key requirements of HKFRS 9 (2014) are described below:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9 (2014), entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 (2014) requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

- In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014) it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

- HKFRS 9 (2014) introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 (2014) looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

HKFRS 9 (2014) will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The directors of the Company anticipate that the application of HKFRS 9 (2014) in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets and financial liabilities, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 (2014) until a detailed review has been completed.

HKFRS 15 Revenue from Contracts with Customers

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Thus, HKFRS 15 introduces a model that applies to contracts with customers, featuring a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

(i) Identify the contract with a customer;

(ii) Identify the performance obligations in the contract;

(iii) Determine the transaction price;

(iv) Allocate the transaction price to the performance obligations; and

(v) Recognise revenue when (or as) the entity satisfies a performance obligation.

HKFRS 15 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

HKFRS 15 will become effective for annual periods beginning on or after 1 January 2017 with early application permitted. The directors of the Company anticipate that the application of HKFRS 15 in the future may have a material impact on amounts reported in respect of the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

Annual Improvements to HKFRSs 2010-2012 Cycle

The *Annual Improvements to HKFRSs 2010-2012 Cycle* include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 2 (i) change the definitions of "vesting condition" and "market condition"; and (ii) add definitions for "performance condition" and "service condition" which were previously included within the definition of "vesting condition". The amendments to HKFRS 2 are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

The amendments to HKFRS 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of HKFRS 9 or HKAS 39 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit or loss. The amendments to HKFRS 3 are effective for business combinations for which the acquisition date is on or after 1 July 2014.

The amendments to HKFRS 8 (i) require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have "similar economic characteristics"; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

The amendments to the basis for conclusions of HKFRS 13 clarify that the issue of HKFRS 13 and consequential amendments to HKAS 39 and HKFRS 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial.

The amendments to HKAS 16 and HKAS 38 remove perceived inconsistencies in the accounting for accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to HKAS 24 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

The directors of the Company anticipate that the application of the amendments included in the *Annual Improvements to HKFRSs 2010-2012 Cycle* will not have a material effect on the Group's consolidated financial statements.

Annual Improvements to HKFRSs 2011-2013 Cycle

The *Annual Improvements to HKFRSs 2011-2013 Cycle* include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.

The amendments to HKFRS 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, HKAS 39 or HKFRS 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within HKAS 32.

The amendments to HKAS 40 clarify that HKAS 40 and HKFRS 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

(a) the property meets the definition of investment property in terms of HKAS 40; and

(b) the transaction meets the definition of a business combination under HKFRS 3.

The directors of the Company do anticipate that the application of the amendments included in the *Annual Improvements to HKFRSs 2011-2013 Cycle* will not have a material effect on the Group's consolidated financial statements.

Annual Improvements to HKFRSs 2012-2014 Cycle

The *Annual Improvements to HKFRSs 2012-2014 Cycle* include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 5 clarify that changing from one of the disposal methods (i.e. disposal through sale or disposal through distribution to owners) to the other should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is therefore no interruption of the application of the requirements in HKFRS 5. Besides, the amendments also clarify that changing the disposal method does not change the date of classification.

The amendments to HKFRS 7 clarify that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in HKFRS 7 in order to assess whether the additional disclosures for any continuing involvement in a transferred asset that is derecognised in its entirety are required. Besides, the amendments to HKFRS 7 also clarify that disclosures in relation to offsetting financial assets and financial liabilities are not required in the condensed interim financial report, unless the disclosures provide a significant update to the information reported in the most recent annual report.

The amendments to HKAS 19 clarify that the market depth of high quality corporate bonds is assessed base on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

HKAS 34 requires entities to disclose information in the notes to the interim financial statements 'if not disclosed elsewhere in the interim financial report'. The amendments to HKAS 34 clarify that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report. The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. If users do not have access to the other information in this manner, then the interim financial report is incomplete.

The directors of the Company anticipate that the amendments included in the *Annual Improvements to HKFRSs 2012-2014 Cycle* will not have a material effect on the Group's consolidated financial statements.

Amendments to HKAS 1 Disclosure Initiative

The amendments clarify that companies should use professional judgement in determining what information as well as where and in what order information is presented in the financial statements. Specifically, an entity should decide, taking into consideration all relevant facts and circumstances, how it aggregates information in the financial statements, which include the notes. An entity does not require to provide a specific disclosure required by a HKFRS if the information resulting from that disclosure is not material. This is the case even if the HKFRS contain a list of specific requirements or describe them as minimum requirements.

Besides, the amendments provide some additional requirements for presenting additional line items, headings and subtotals when their presentation is relevant to an understanding of the entity's financial position and financial performance respectively. Entities, in which they have investments in associates or joint ventures, are required to present the share of other comprehensive income of associates and joint ventures accounted for using the equity method, separated into the share of items that (i) will not be reclassified subsequently to profit or loss; and (ii) will be reclassified subsequently to profit or loss when specific conditions are met.

Furthermore, the amendments clarify that:

(i) an entity should consider the effect on the understandability and comparability of its financial statements when determining the order of the notes; and

(ii) significant accounting policies are not required to be disclosed in one note, but instead can be included with related information in other notes.

The amendments will become effective for financial statements with annual periods beginning on or after 1 January 2016. Earlier application is permitted.

The directors of the Company anticipate that the application of Amendments to HKAS 1 in the future may have a material impact on the disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKAS 1 until the Group performs a detailed review.

Amendments to HKAS 16 and HKAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to HKAS 16 prohibit the use of revenue-based depreciation methods for property, plant and equipment under HKAS 16. The amendments to HKAS 38 introduce a rebuttable presumption that use of revenue-based amortisation methods for intangible assets is inappropriate. This presumption can be rebutted only in the following limited circumstances:

(i) when the intangible asset is expressed as a measure of revenue; and

(ii) when a high correlation between revenue and the consumption of the economic benefits of the intangible assets could be demonstrated.

The amendments to HKAS 16 and HKAS 38 will become effective for financial statements with annual periods beginning on or after 1 January 2016. Earlier application is permitted. The amendments should be applied prospectively.

As the Group uses either the straight-line method or Units of Production ("UOP") method for depreciation/amortisation of property, plant and equipment/intangible assets, the directors of the Company anticipate that the application of Amendments to HKAS 16 and HKAS 38 in the future will not have a material impact on the Group's consolidated financial statements.

Amendments to HKAS 27 Equity Method in Separate Financial Statements

The amendments to HKAS 27 allow an entity to apply the equity method to account for its investments in subsidiaries, joint ventures and associates in its separate financial statements. As a result of the amendments, the entity can choose to account for these investments either:

(i) at cost;

(ii) in accordance with HKFRS 9 (or HKAS 39); or

(iii) using the equity method as described in HKAS 28.

The amendments to HKAS 27 will become effective for financial statements with annual periods beginning on or after 1 January 2016. Earlier application is permitted. The amendments should be applied retrospectively.

As the Company does not have any investment in associates or joint ventures, the directors of the Company do not anticipate that the application of the amendments to HKAS 27 will have a material impact on the Company's financial statements.

3. REVENUE AND SEGMENT INFORMATION

The Group's operating segments are determined based on the information reported to the Board of Directors, being the chief operating decision maker, for the purpose of resources allocation and assessment of segment performance focus on types of goods or services delivered or provided.

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

(i) Financial quotation and securities trading system licensing segment engages in the provision of financial quotation services, wireless applications development and licensing of securities trading system.

(ii) Mining operations segment engages in the extraction, exploration and sale of mineral products.

(iii) Encryption technology and products segment engages in development of an application platform with software relating to encrypt cloud computing and quantum direct key encryption and the design, manufacture and distribution of portable devices embedded with such encryption technology.

The Group's encryption technology and products segment was introduced in the current year as a result of the acquisition of POMP International Limited.

Segment revenue and results

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

For the year ended 31 March 2015

	Financial quotation and securities trading system licensing *HK$*	**Mining operations** *HK$*	**Encryption technology and products** *HK$*	**Total** *HK$*
Revenue	**55,808,473**	**595,450**	**–**	**56,403,923**
Segment loss	**(2,673,707)**	**(4,141,476)**	**(81,186,373)**	**(188,001,556)**
Unallocated corporate income and gains				**3,847**
Unallocated corporate expenses and losses				**(25,554,435)**
Finance costs				**(4,428,472)**
Loss before tax				**(117,980,616)**

For the year ended 31 March 2014

	Financial quotation and securities trading system licensing *HK$*	Mining operations *HK$*	Encryption technology and products *HK$*	Total *HK$*
Revenue	59,275,471	689,804	–	59,965,275
Segment loss	(874,051)	(5,173,402)	–	(6,047,453)
Unallocated corporate income and gains				606,550
Unallocated corporate expenses and losses				(20,374,916)
Finance costs				(384,778)
Loss before tax				(26,200,597)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment loss represents the loss from each segment without allocation of directors' salaries, certain interest income, certain other income and gain, certain general and administrative expenses and certain finance costs. This is the measure reported to the Board of Directors for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

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

	2015	2014
	HK$	*HK$*
Segment assets		
Financial quotation and securities trading system licensing	**30,759,170**	34,412,230
Mining operations	**403,419,711**	403,053,303
Encryption technology and products	**29,519,952**	–
Unallocated corporate assets	**141,618,898**	158,584,106
Consolidated total assets	**605,317,731**	596,049,639

	2015	2014
	HK$	*HK$*
Segment liabilities		
Financial quotation and securities trading system licensing	**8,735,938**	9,717,378
Mining operations	**95,224,225**	93,599,593
Encryption technology and products	**9,205,599**	–
Unallocated corporate liabilities	**68,938,743**	31,758,045
Consolidated total liabilities	**182,104,505**	135,075,016

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

– all assets are allocated to reportable and operating segments other than certain property, plant and equipment, certain other receivables, deposits and prepayments, and prepayment for acquisition of a subsidiary, available-for-sale investment, held for trading investment and certain bank balances and cash which are managed on a group basis.

– all liabilities are allocated to reportable and operating segments other than certain other payables and bonds which are managed on a group basis.

In measuring the Group's segment liabilities, tax payable of HK$2,220,401 (2014: HK$2,209,690) and deferred tax liabilities of HK$77,169,039 (2014: HK$76,796,772) were allocated to the mining operations segment. However, the relevant income tax expense of nil balance (2014: HK$54,545) was not included in the measurement of segment results.

Other segment information

	Financial quotation and securities trading system licensing *HK$*	Mining operations *HK$*	Encryption technology and products *HK$*	Unallocated *HK$*	Total *HK$*
For the year ended 31 March 2015					
Amounts included in the measure of segment results or segment assets:					
Depreciation of property, plant and equipment	184,193	2,189,725	87,673	1,725,554	4,187,145
Amortisation of prepaid lease payment	–	110,139	–	–	110,139
Amortisation of intangible assets	–	–	25,067,042	–	25,067,042
Additions to non-current assets*	75,128	331,800	107,727,769	141,749	108,276,446
Impairment loss on intangible assets	–	–	54,977,909	–	54,977,909
Impairment loss on other receivables	–	–	–	1,603,333	1,603,333
Bank interest income	(314,352)	–	–	(3,846)	(318,198)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment results or segment assets:					
Decrease in fair value of held for trading investment	–	–	–	5,512	5,512
Finance costs	–	–	537,309	4,428,472	4,965,781
For the year ended 31 March 2014					
Amounts included in the measure of segment results or segment assets:					
Depreciation of property, plant and equipment	303,718	2,210,644	–	1,068,122	3,582,484
Amortisation of prepaid lease payment	–	110,138	–	–	110,138
Additions to non-current assets*	60,592	2,192,326	–	4,808,329	7,061,247
Interest income	(260,614)	–	–	(605,768)	(866,382)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment results or segment assets:					
Decrease in fair value of held for trading investment	–	–	–	4,680	4,680
Realised loss on held for trading investment	–	–	–	78,365	78,365
Finance costs	–	–	–	384,778	384,778
Income tax expense	–	54,545	–	–	54,545

* Including additions through acquisition of a subsidiary of HK$107,727,769 (2014: HK$4,800,000)

Revenue from major product and services

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

	2015	2014
	HK$	*HK$*
Revenue from financial quotation and securities trading system licensing services	**55,148,880**	58,705,399
Revenue from wireless applications	**659,593**	570,072
Revenue from mining operations	**595,450**	689,804
	56,403,923	59,965,275

Geographical information

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

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

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

	Hong Kong		PRC (excluding Hong Kong)		Total	
	2015	2014	**2015**	2014	**2015**	2014
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
For the year ended 31 March						
Segment revenue	**55,808,473**	59,275,471	**595,450**	689,804	**56,403,923**	59,965,275
As at 31 March						
Non-current assets	**4,648,638**	5,151,081	**431,040,727**	461,836,969	**435,689,365**	466,988,050

Information about major customers

Revenue from customers of the corresponding year contributing over 10% of the total sales of the Group are as follows:

	2015	2014
	HK$	*HK$*
Customer A[1]	**26,721,411**	29,201,453

[1] Revenue from financial quotation and securities trading system licensing services

4. OTHER INCOME AND GAIN

	2015	2014
	HK$	*HK$*
Bank interest income	**318,198**	263,049
Forfeiture on deposit received	**81,200**	–
Exchange gains, net	**21,404**	782
Loan interest income	**–**	603,333
Rental income	**–**	507,840
	420,802	1,375,004

5. FINANCE COSTS

	2015	2014
	HK$	*HK$*
Effective interest expense on bonds	**4,428,472**	384,778
Interest on bank borrowing	**537,309**	–
	4,965,781	384,778

6. LOSS BEFORE TAX

Loss before tax has been arrived at after charging:

	2015	2014
	HK$	*HK$*
Depreciation of property, plant and equipment	**4,187,145**	3,582,484
Impairment loss on other receivables	**1,603,333**	–
Loss on write-off of property, plant and equipment	**1,417**	–
Employee benefit expenses	**21,883,983**	19,157,449
Amortisation of prepaid lease payments	**110,139**	110,138
Minimum lease payments under operating leases in respect of land and buildings	**4,729,103**	3,569,790

7. DIVIDEND

No dividend was paid or proposed during the year ended 31 March 2015, nor has any dividend been proposed since the end of the reporting period (2014: nil).

8. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made in current and prior years as there are no assessable profits generated for both years.

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

The amount of income tax expense in the consolidated statement of profit or loss and other comprehensive income represents:

	2015	2014
	HK$	*HK$*
Current tax:		
PRC Enterprise Income Tax	**–**	–
Underprovision for prior years	**–**	54,545
	–	54,545

9. LOSS PER SHARE

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

	2015	2014
	HK$	*HK$*
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	**(82,291,728)**	(23,453,872)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**1,776,889,973**	1,445,305,613

Diluted loss per share for the years ended 31 March 2015 and 2014 are the same as the basic loss per share as there are no dilutive potential ordinary shares outstanding during the year.

10. TRADE RECEIVABLES

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

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

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

	2015	2014
	HK$	*HK$*
0-3 months	**3,442,234**	4,652,701
4-6 months	**130,737**	146,178
	3,572,971	4,798,879

11. BANK BALANCES AND CASH

	2015	2014
	HK$	*HK$*
Cash at banks and in hand	**79,832,763**	30,876,702
Short-term time deposits	**18,025,279**	9,978,400
	97,858,042	40,855,102

12. TRADE AND OTHER PAYABLES

	2015	2014
	HK$	*HK$*
Trade payables *(note a)*	**5,220,636**	6,345,222
Receipt in advance	**6,983,170**	6,873,348
Other payables and accrued charges	**10,198,808**	7,597,428
	22,402,614	20,815,998

Note:

(a) The ageing of trade payables were within 3 months based on the invoice date at the end of the reporting period.

13. BANK BORROWING

	2015	2014
	HK$	*HK$*
Bank borrowing, unsecured	**7,078,213**	–

As at 31 March 2015, the entire outstanding bank borrowing is repayable on demand due to the default in repayment (2014: nil). Demand letter has been issued and court action has been filed by the bank. The court case has not yet been finalised up to the date of these financial statements and the Group is exposed to uncertain claims over default interest and penalty at the end of the reporting period.

14. BONDS

As at 31 March 2015, the Group has unsecured bonds with aggregate principal of HK$70,000,000 (2014: HK$30,000,000) with the following major terms:

Issue price:	100% of the principal amount
Interest:	5.5% per annum payable semi-annually in arrear
Maturity:	7 years from date of issuance unless early redeemed
Early redemption options:	– The holder can early request for early redemption after the fourth anniversary from the issue date up to the maturity date at a redemption amount of 80% of the outstanding principal. – The Group can early redeem the bonds after the fifth anniversary from the issue date up to the maturity date at a redemption amount of 100% of the outstanding principal.

The movements of the bonds are set out below:

	2015	2014
	HK$	*HK$*
Carrying amount at the beginning of the year	**27,667,000**	–
New issue	**40,000,000**	30,000,000
Transaction costs	**(3,200,000)**	(2,400,000)
Effective interest charge for the year	**4,428,472**	384,778
Interest paid	**(3,666,472)**	(317,778)
Carrying amount at the end of the year	**65,229,000**	27,667,000
Less: Bonds repayable after one year shown under non-current liabilities	**(65,229,000)**	(27,667,000)
Current portion	**–**	–

The Company's bonds carry interest at effective interest rate of 7.22% (2014: 7.22%) per annum.

15. SHARE CAPITAL

	2015		2014	
	No. of shares	**Amount**	No. of shares	Amount
		HK$		*HK$*
Authorised:				
Ordinary shares of HK$0.01 each	**6,000,000,000**	**60,000,000**	6,000,000,000	60,000,000
Issued and fully paid:				
Ordinary shares of HK$0.01 each				
At beginning of year	**1,655,347,200**	**16,553,472**	1,167,797,200	11,677,972
Issue of shares on placing	**331,068,000**	**3,310,680**	487,550,000	4,875,500
At 31 March	**1,986,415,200**	**19,864,152**	1,655,347,200	16,553,472

(i) On 5 July 2013 and 23 October 2013, 487,550,000 ordinary shares of HK$0.01 each in aggregate were placed at a price of HK$0.15 per share, raising a total proceed of HK$70,207,185, net of direct expenses.

(ii) On 18 November 2014, 331,068,000 ordinary shares of HK$0.01 each were placed at a price of HK$0.114 per share, raising a total proceed of HK$37,075,626, net of direct expenses.

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

16. ACQUISITION OF A SUBSIDIARY ACCOUNTED FOR AS ASSET ACQUISITION

On 30 April 2014, the Group completed the acquisition of the 60% equity interests of POMP International Limited and its subsidiary ("POMP") from an independent third party for a cash consideration of HK$60,000,000. The directors of the Company are of the opinion that the acquisition of POMP is in substance an asset acquisition instead of a business combination, as the net assets of POMP was mainly intangible assets and POMP was inactive prior to the acquisition by the Group.

Net assets of POMP acquired:

	2015
	HK$
Intangible assets	107,444,950
Property, plant and equipment	282,819
Other receivables	29,054
Bank balances and cash	3,024,144
Other payables	(804,167)
Bank borrowing	(9,976,800)
	100,000,000
Non-controlling interests	(40,000,000)
	60,000,000
Satisfied by:	
Prepayment for acquisition of a subsidiary	60,000,000

EXTRACT OF INDEPENDENT AUDITOR'S REPORT ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

BASIS FOR QUALIFIED OPINION

Limitation of scope on the impairment assessment of technical knowhow

As at 31 March 2015, the Group had technical knowhow with carrying amount of HK$30,000,000, net of accumulated impairment loss and accumulated amortisation of HK$54,977,909 and HK$25,067,042 respectively. The directors of the Company had performed impairment assessment on the technical knowhow and had determined the recoverable amount based on value-in-use calculation with reference to the latest financial information available. However, we were unable to obtain sufficient appropriate audit evidence we consider necessary in order to assess the recoverable amount of the technical knowhow. There were no practical alternative audit procedures that we could perform to satisfy ourselves that the carrying amount of the Group's technical knowhow as at 31 March 2015 and the impairment loss recognised for the year ended 31 March 2015 were free from material misstatement. Any adjustment found to be necessary to the carrying amount of the technical knowhow as at 31 March 2015 would affect the Group's net assets as at 31 March 2015 and the Group's loss for the year then ended and the related note disclosures to the consolidated financial statements.

Qualified opinion arising from limitation of audit scope

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph above, the consolidated financial statements give a true and fair view of the financial position of the Company and its subsidiaries as at 31 March 2015 and of their financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING RESULTS

In 2014/2015 financial year, the turnover of the Group amounted to HK$56.4 million, representing an decrease of 5.9% as compared to HK$60 million in previous year. The total comprehensive expense of the Group amounted to HK$114.8 million, representing an increase of HK$89.8 million as compared to the total comprehensive expense of HK$25 million in year 2013/2014. The comprehensive expense attributable to owners of the Company amounted to HK$80.3 million, representing an increase of HK$57.2 million from that of previous year. During the year, the Group's financial quotation and securities trading system licensing remained the core revenue contributor, which accounted for 99% of the Group's revenue. The mining operation segment has contributed revenue of HK$0.6 million from the sale of silver ores extracted in the course of mining site preparation. Nevertheless after taking into account of the depreciation and amortization charges, the mining operation segment suffered a loss of HK$4.1 million.

Loss for the year amounted to HK$118 million, and representing an increase by HK$91.7 million as comparing to the loss for the year of HK$26.3 million in year 2013/2014. The increase in loss for the year was mainly due to an one-off impairment loss and amortisation in respect of intangible assets in the amount of approximately HK$55 million and HK$25 million respectively. Both were non-cash in nature.

FINAL DIVIDEND

The Board did not propose a final dividend.

BUSINESS REVIEW

The Mining Operation

During the year, the mining operation contributed a turnover of approximately HK$0.6 million (2013/2014: HK$0.7 million) to the Group. Loss before tax attributable to the segment amounted to HK$4.1 million (2013/2014: HK$5.2 million). Jun Qiao Limited ("Jun Qiao"), through its subsidiaries, Tong Bai County Yin Di Mining Co Ltd (桐柏縣銀地礦業有限責任公司) ("Yin Di Company") and Xinjiang Xin Jiang Yuan Mining Co Ltd (新疆鑫江源礦業有限公司), held 1 mining license in Henan and 2 exploration licenses in Henan and Xinjiang respectively. The mining projects of the Group included the following:

Yin Di Mining Area (銀地礦區) in Henan

The Yin Di Mining Area is the only producing mine of the Group. It is located at Tongbai County in Henan Province and covers a mining area of approximately 1.81 km^2. The mining area is 15 km away from Xining railways and connected to China National Highway 312, the traffic is considerably convenient. As at the announcement date, the Group has succeeded in renewing the mining license to January 2017.

Yin Di Mining Area is an operating polymetallic mine that contains gold, silver, lead and zinc ore deposits. At the end of March 2015, according to the Gold, Silver Lead and Zinc Polymetallic Reserves and Resources Verification Report (金銀鉛鋅多金屬資源儲量核查報告) (the "Reserve Report") prepared by the First Geological Survey Team of Henan Geology and Mineral Exploration and Development Bureau (河南省地質礦產勘查開發局第一地質調查隊), estimated mineral resources of the mining area are as follows:

	Resources Classification	**Ore Tonnage** *(tonnes/t)*	**Average Grade**	**Metal**
Gold	111b + 332	1,744,600	5.63 g/t	9,826 kg
Silver	122b	19,479	88.50 g/t	1,723.8 kg
	332	291,800	80 g/t	21,868 kg
Lead	122b	19,479	17.5 kg/t	341.8 t
Zinc	122b	19,479	18.6 kg/t	362.7 t

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

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

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

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

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

The mining property is a polymetallic mine that contains gold, silver, lead and zinc ore deposits. After the Company has completed acquisition, the Yin Di Mining Area has undergone a large scale improvement, advancement and reinforcement in mining technologies for more efficient production and safety. These improvement works were originally expected to be completed during the year. However, following the issue of the policy statement, namely "Working Program on the Consolidation and Closure of Mineral and Non-mineral Mines in Henan Province" (河南省金屬非金屬礦山整頓關閉工作方案) issued by the People's Government of Henan Province, mining activities of those small scale mines in Henan Province, like the Group's mining properties, were almost suspended. Inevitably, mining activities in our Yin Di Mining Area was affected and site development and improvement works could only be carried on intermittently. As a result the Group's development plan on Yin Di Mining Area was forced to be postponed.

The policy statement has mainly straightened out the administration and control on the environmental protection, production safety and mining efficiency of all small scale mining properties in Henan province. The local management of Yin Di Company has, to a large extent, perceived and fulfilled those stringent requirements governed in the policy statement, and has successfully renewed the mining license until 2017.

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

The mine is also located at Tongbai County of Henan, and is very close to the Yin Di Mining Area. Mining area covered by the exploration license was approximately 2.36km^2. Detailed geological survey and mineral resources exploration were undertaking. Although findings have not yet been concluded, various copper and gold mineralization zones have been identified. The management will formulate development plan and strategy once relevant reserve report and feasibility study are finalized and approved. The Group was in the process of renewing the exploration licence.

The Department of Land and Resources of Henan Province has issued a policy statement No. [2009]9. According to this policy statement, whenever exploration license is renewed, the area of the exploration site will be reduced by not less than 25%. If the Group renews the exploration license in 2014, the area of the renewed exploration license will be further reduced by not less than 25%, unless the relevant provincial policy has been rescinded. The Group will facilitate the progress of exploration works for this mining property. When the relevant reserve reports and feasibility study are completed, the Group will apply for the mining license immediately.

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

The mine is located at Jai Tai County (奇台縣) of Xinjiang Uygur Autonomous Region with a total exploration mining area of 29.12 km^2. The mining area is connected to gravel and asphalt roads, traffic is considered convenient. Detailed geological survey and mineral resources exploration were undertaking. At the moment, several gold mineralization zones and substantial coal reserves have been identified. The management will be formulated development plan and strategy once relevant reserve report and feasibility study are finalized and approved. The exploration license had been expired in May 2015 and the Group was preparing to apply for converting the exploration license to mining licence.

The Financial Quotation Segment

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

During the current reporting period, QuotePower was still the core revenue contributor of the Group. Its turnover amounted to approximately HK$55.8 million. As compared with the last reporting period, turnover from QuotePower has been declined by approximately 5.8%. This reflected loss of subscribers of our financial quotation services owing to keen competition. The segment suffered a loss of approximately HK$2.7 million (2013/2014: HK$0.9 million).

The Encryption Technology and Products Segment

The business segment refer to the encryption technology and products provided by the POMP and Detron Tech Ltd. ("Detron"). During the financial year, Detron is still in the process of fine-tuning the second generation portable devices with built-in QDK encryption technology. The management of Detron is preparing to apply for the Telecommunication Equipment's Network Access License from the Ministry of Industry and Information Technology of the PRC.

Subsequent to the reporting period, sales orders were received for trial purpose and a production outsourcing agreement was signed with a mobile device manufacturer. It was expected that Detron's products could be launched in the first quarter of 2016.

IMPAIRMENT LOSS ON INTANGIBLE ASSETS

During the financial year, an impairment loss of approximately HK$55 million in respect of intangible assets in relation to the Group's technical knowhow acquired through acquisition of subsidiaries has been made. The impairment test has been referenced to the valuation report issued by Roma Appraisal Limited ("Roma"), an independent valuer on 29 June 2015 and pursuant to Hong Kong Accounting Standard 36 – Impairment of Assets.

AMORTISATION ON INTANGIBLE ASSETS

During the financial year, an amortisation of approximately HK$25 million in respect of intangible assets in relation to the Group's technical knowhow acquired through acquisition of subsidiaries has been made. The amortisation was based on the estimated useful life of the technical knowhow and pursuant to Hong Kong Accounting Standard 38 – Intangible Assets.

SELLING AND DISTRIBUTION COSTS

During the financial year, the Group's selling and distribution costs amounted to approximately HK$1.6 million, which had been increased by HK$0.5 million as comparing with the previous year. Selling and distribution costs were incurred mostly in our financial quotation segment.

GENERAL AND ADMINISTRATIVE EXPENSES

During the financial year, the Group's general and administrative expenses increased by approximately HK$4.5 million or 11%. The increase was primarily due to the increase in legal and professional fees, salary, directors' fees and office rental.

FINANCE COSTS

Finance costs increased to HK$5 million in the current year. The finance costs were mainly due to imputed interest on unlisted long term bonds and interest accrued on a short-term bank borrowing.

PROVISION FOR REINSTATEMENT COSTS

As at 31 March 2015, the Group has made a provision of reinstatement costs of HK$0.8 million (31 March 2014: HK$0.8 million). The provision was made for the reinstatement costs, which would be incurred in the future when the exploitation activities completed and the Group was obliged to recover the mining properties to their original landscape. The provision is estimated and reassessed at the end of each financial year with reference to the latest available quotation from independent contractors or market information and practices. Estimation based on current market information may vary over time and could differ from the actual reinstatement cost upon full extraction of the mining reserves by the Group.

INCOME TAX EXPENSES

During the financial year, no income tax expenses was incurred (2013/2014: HK$54,545).

LOSS PER SHARE

During the year ended 31 March 2015, the basic and diluted loss per share amounted to 4.63 HK cents, which represented an increase from the loss per share of 1.62 HK cents from the last reporting year.

DEFERRED TAX LIABILITIES

As at 31 March 2015, deferred tax liabilities attributable to Jun Qiao amounted to HK$77.2 million (31 March 2014: HK$76.8 million), which was calculated at the tax rate of PRC Enterprise Income Tax of 25%, mainly on the increase in fair value of intangible assets in accordance with the relevant accounting principle. The movement during the current financial year represented exchange realignment.

FINANCIAL POSITION

The Group's consolidated statement of financial position remained solid. Shareholders' equity decreased from HK$340 million to HK$297 million. Total assets increased by 1.6% to HK$605 million and net assets decreased by 8% to HK$423 million.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2015, the Group's cash and cash equivalents amounted to HK$97.9 million (31 March 2014: HK$40.9 million). Except for the long term bonds with a principle amount of HK$70 million and a short-term bank loan of HK$7.1 million, the Group had no other bank loans or borrowings with fixed term of repayment at the end of year.

	As at 31 March 2015	As at 31 March 2014
Current ratio (current assets/current liabilities)	**2.8 times**	2.3 times
Gearing ratio (total liabilities/total assets)	**30%**	22.7%

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

TRADE RECEIVABLES

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

	31 March 2015	31 March 2014
	HK$	*HK$*
Financial Quotation Services	**3,572,971**	4,767,420
Mining Operations	**–**	31,459
	3,572,971	4,798,879

Trade receivable in the Group's financial quotation segment has been decreased by approximately 25.1%. The management did not foresee any recoverability problem as the amount has been settled as at the announcement date. The management will constantly review the aging and credit standing of customers to ensure trade receivables can be fully recovered.

PREPAYMENTS FOR EXPLORATION AND EVALUATION ACTIVITIES

As at 31 March 2015, the prepayments for exploration and evaluation activities amounted to approximately HK$13.5 million were made for exploration drilling activities in relation to the Group's exploration rights held. The prepayments were made in accordance with the contracts entered into with the exploration teams and the exploration drilling activities had not yet been completed as at 31 March 2015.

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

	31 March 2015 *HK$'000*	31 March 2014 *HK$'000*
Li Zi Yuan Mining Area exploration contract	**4,570**	4,530
Hu Lei Si De Mining Area exploration contract	**8,697**	8,620
Miscellaneous expenses, fees and levies	**254**	39
	13,521	13,189

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

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

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

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

INTANGIBLE ASSETS

The Group's intangible assets comprised of (i) mining right and reserves; (ii) exploration rights; and (iii) technical know-how. The carrying values of the intangible assets as at 31 March 2015 were analysed as follows:

	Mining right and reserves	Exploration rights	Technical knowhow	Total
	HK$	*HK$*	*HK$*	*HK$*
COST				
At 1 April 2013	315,100,600	3,473,340	–	318,573,940
Exchange realignment	2,016,190	47,662	–	2,063,852
At 31 March 2014 and 1 April 2014	317,116,790	3,521,002	–	320,637,792
Acquisition of a subsidiary	–	–	107,444,951	107,444,951
Exchange realignment	1,534,540	17,067	1,499,111	3,050,718
At 31 March 2015	318,651,330	3,538,069	108,944,062	431,133,461
ACCUMULATED AMORTISATION				
At 1 April 2013, 31 March 2014 and 1 April 2014	–	–	–	–
Provided for the year	–	–	25,067,042	25,067,042
Impairment loss	–	–	54,977,909	54,977,909
Exchange realignment	–	–	(100,889)	(100,889)
At 31 March 2015	–	–	79,944,062	79,944,062
CARRYING VALUES				
At 31 March 2015	318,651,330	3,538,069	29,000,000	351,189,399
At 31 March 2014	317,116,790	3,521,002	–	320,637,792

Mining right and reserves and exploration rights

The mining right and reserves and exploration rights are the most significant intangible assets of the Group. In assessing whether impairment was needed against the carrying value of this intangible assets, the Company has instructed independent valuer to ascertain the fair value of the Group's mining right and reserves and exploitation right as at 31 March 2015. Since the resulting fair value was higher than the carrying value of the intangible assets, the management was satisfied that no impairment was needed to be made.

No amortisation has been provided for the mining right and reserves and exploitation rights for the current financial year. This is because the mining properties has not commenced commercial operation during the year.

Technical knowhow

The technical knowhow, in relation to quantum direct key encryption techniques, was acquired during the year after the Company completed acquiring 60% equity interest in POMP. At initial recognition, HK$107 million in respect of the technical knowhow was recognised in the Group's consolidated financial statement.

The intangible assets of technical knowhow was amortised on a straight line basis on the estimated useful life of 4 years. Accordingly, amortisation of approximately HK$25 million was charged to the consolidated statement of profit or loss of the Group during the year.

Same as other intangible assets, the Company has appointed independent valuer to assess the fair value of the technical knowhow as at 31 March 2015 in order to ascertain whether impairment was required. The fair value of technical know-how as at 31 march 2015 was value at approximately HK$29 million. As a result, an impairment loss of approximately HK$55 million was charged to the Group's consolidated statement of profit or loss for the current year pursuant to applicable accounting and financial reporting standard in Hong Kong.

DEPRECIATION

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

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

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

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

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

On the other hand, straight-line depreciation over $6^2/_3$ years is adopted for non-mine specific items such as tailings pond and the roads built to connect the mine with the highway as the Company considered that their useful life are not directly correlated to the extraction of reserves.

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

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

SHARE CAPITAL

As at 31 March 2015, the total number of issued ordinary shares of the Company was 1,986,415,200 shares (31 March 2014: 1,655,347,200 shares).

On 4 November 2014, the Company entered into a placing agreement with KGI Capital Asia Limited as placing agent to place, on a best efforts basis, a maximum of 331,069,440 at a price of HK$0.1140 per share under a general mandate granted to the Directors at the annual general meeting held on 30 September 2014. Completion of the placing took place on 19 November 2014 where a total of 331,068,000 shares were successfully placed by the placing agent to Mr. Fong For. The gross proceeds from the placing was approximately HK$37.74 million and the net proceeds from the placing, after deducting the placing commission and other professional fees incurred by the Company, was approximately HK$37.07 million. The net placing price per share was approximately HK$0.1140. The net proceeds from the placing was intended to use as to approximately HK$37.07 million (i) as to approximately HK$9.57 million for general working capital of the Company; (ii) as to approximately HK$7.5 million for repayment of a short-term bank loan of a subsidiary; and (iii) as to approximately HK$20 million for financing the newly set up money lending business of the Company.

ISSUE OF BONDS

On 25 July 2013, The Company had entered into a placing agreement (as varied and supplemented by supplemental agreement dated 24 January 2014, and second supplemental agreement dated 30 April 2014 to extend the long stop date for the completion to 31 July 2014) with Convoy Investment Services Limited ("Convoy"), pursuant to which the Company agreed to issue and Convoy agreed, on a best effort basis, to act as placing agent to procure subscribers to subscribe for the 5.5% per annum bonds (the "Bonds") to be issued by the Company in an aggregate principal amount of up to HK$400,000,000 maturing on the seventh anniversary of the respective date of issue.

During the period from the date of the placing agreement to 31 July 2014, Convoy had successfully procured 7 independent private investors (the "Subscribers") to entered into separate subscription agreements with the Company, pursuant to which the Subscribers have agreed to subscribe and the Company has agreed to issue the Bonds in the aggregate principal amount of HK$70,000,000 at par value. Subscriptions have been completed at the respective dates of issue of the Bonds as detailed below:

Subscribers	**Issue Date**	**Maturity Date**	**Principal amount** *(HK$'000)*
Wang Huaiyu (王懷宇)	2 January 2014	1 January 2021	10,000
Zhang Huan (張歡)	2 January 2014	1 January 2021	10,000
Liu Ling (劉淩)	3 March 2014	2 March 2021	10,000
Wang Chunlin (王春林)	2 April 2014	1 April 2021	10,000
Du Chongqing (杜重慶)	2 April 2014	1 April 2021	10,000
Yan Fei (燕飛)	15 May 2014	14 May 2021	10,000
Yan Guoliang (閆國良)	10 July 2014	9 July 2021	10,000
			70,000

EVENTS AFTER THE REPORTING PERIOD

(a) Major acquisition

On 24 April 2015, Ban Loong Property Investment Limited, a wholly-owned subsidiary of the Company and incorporated after the year ended 31 March 2015, has entered into a sale and purchase agreement with Mr. Chiu Ngai Hung ("Mr. Chiu"), an independent third party, for the purchase of seven property holding companies named as (i) Summit Pacific Group Limited; (ii) Urban Stone Limited; (iii) Spring Hero Developments Limited; (iv) Sharp Pick Ventures Limited; (v) Viva Star International Limited; (vi) Main Trillion Limited; and (vii) Cozy Sky Limited (collectively referred to as the "Target Companies"), which are wholly owned by Mr. Chiu, with consideration of HK$297,193,940. A refundable deposit of HK$29,719,394 has been paid upon the signing of the agreement on 24 April 2015, while remaining amount, HK$267,474,546 will be paid (subject to the completion clauses contained in the sale and purchase agreement) upon the completion of transfer of the shares of the Target Companies (the "Proposed Acquisition"). The Proposed Acquisition was not yet completed as of the date of approval of consolidated financial statements.

According to the information provided by Mr. Chiu, the Target Companies entered into the provisional agreements with the original vendor in March 2015, whereby the Target Companies agreed to acquire from the original vendor seven whole floors of Henan Building, Nos. 90 & 92 Jaffe Road or Nos. 15-19 Luard Road, Wanchai, Hong Kong with gross floor area of approximately 22,322 square feet in aggregate.

The directors of the Company are of the opinion that the acquisition of Target Companies is in substance an asset acquisition instead of a business combination as the only asset of the Target Companies mainly consisted of deposits paid for the acquisition of investment properties prior to acquisition by the Group and the Target Companies had not commenced any business prior to the acquisition. Details are set out in the Company announcement dated 27 April 2015.

(b) Fund raising

On 24 April 2015, the Company had entered into a placing agreement with Asian Capital (Corporate Finance) Limited as placing agent to place on a best effort basis, the two-year 2% convertible bonds in an aggregate principal amount of HK$150 million (the "Convertible Bonds"), to placees who were independent of and not connected with the Company and its connected persons. The Convertible Bonds carry the right to convert into conversion shares at the conversion price being HK$0.1875 (the "Conversion Price") per conversion share (subject to adjustments) (the "Conversion Share(s)") at any time during the conversion period. Assuming the Convertible Bonds are fully placed and the conversion rights attached to the Convertible Bonds are exercised in full at the initial Conversion Price of HK$0.1875 per Conversion Share, 800,000,000 Conversion Shares will be allotted and issued by the Company, representing approximately 40.27% of the entire issued share capital of the Company as at the date of this announcement and approximately 28.71% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares. The Convertible Bonds will be issued under the Specific Mandate which is subject to Shareholders' approval at the special general meeting. The gross and net proceeds from the placing of the Convertible Bonds are estimated to be HK$150,000,000 and HK$145,250,000, respectively. On such basis, the net price to the Company of each Conversion Share is approximately HK$0.1816. It is intended that the net proceeds will be wholly used for part funding the major acquisition mentioned in paragraph (a) above.

(c) Disposal of available-for-sale investment

On 4 June 2015, the Company and 深圳市德銘旺貿易有限公司 (Shenzhen Demingwang Trading Co., Ltd.) (the "Purchaser") entered into a disposal agreement pursuant to which the Company agreed to sell 18% of the issued share capital of Sharp Legend Inc. and related shareholders' loans to the Purchaser for a total cash consideration of HK$60,000,000. The disposal was not completed while a non-refundable deposit of HK$30 million has been received by the Company as of the date of approval of consolidated financial statements. Details are set out in the Company announcement dated 4 June 2015.

PLEDGE OF ASSETS

As at 31 March 2015, no assets of the Group were pledged to secure general banking facilities granted to the Group.

CONTINGENT LIABILITIES

As at 31 March 2015, the Group had no material contingent liabilities.

FOREIGN EXCHANGE EXPOSURE

Most of the operations and trading transaction, assets and liabilities of the Group were denominated in Hong Kong dollar and Renminbi. During the year ended 31 March 2015, the Group had an insignificant amount of exchange difference.

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

COMMODITY PRICE RISK

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

EMPLOYEE REMUNERATION POLICY

As at 31 March 2015, the Group had 61 employees (31 March 2014: 59 employees). Total salaries, commissions, incentives and all other staff related costs incurred for the year ended 31 March 2015 amounted to approximately to HK$21.9 million (31 March 2014: HK$19.2 million). Our remuneration policies are in line with prevailing market practices and formulated on the basis of the performance and experience of individual employees. Apart from basic salaries, other staff benefits included provident funds, life insurance and medical assistances benefit. The Company may also grant share options to eligible employees to motivate their performance and contribution to the Group.

OUTLOOK

The Group involves in three identifiable business segments namely the mining operations segment, the financial quotation segment and the encryption technology and product segment.

The Mining Operations

The scale of the Group's mining operation is considered small and limited. The Group can only be a market follower, and has no influence on the market price and sales of ores and ores concentrates in the local market. Despite of the Group's solid reserve of mineable resources, the segmental results of the mining operations segment of the Group had not been performing well in the past few years. Upon review on the development of the mining operation segment, the management concluded that the stagnant in the segment was mainly caused by the lack of management expertise, techniques and local workforce in exploiting valuable resources. Moreover, government policies were significant tilted in favor of those local large and stated-owned mining companies. This has further restricted the development of the Group's mining operation segment.

In light of the above obstacles, the management was still endeavors in adjusting the development strategy in the mining operation segment. As stated in the Company's announcement dated 30 March 2015, the Group has entered into a operating lease contract with Henan Heng Yi Mining Company Limited (the "Lessee"), being an independent third party, pursuant to which assets of the mining operations segment, including mines and the mining plants and equipment (the "Mining Assets"), was leased to the Lessee. Under the terms of the lease contract, the Lessee shall be responsible for all operating expenses in relation to the Mining Assets, any costs of exploration, survey and preparation of technical reports of the Group's mining properties during the tenure of the lease. In addition, the Lessee shall refrain from over-exploitation and ensure that there are abundant residual resources in the mining properties.

The management considered that the operating lease arrangement provides an opportunity for the Group to generate a stable operating lease income from the Mining Assets and minimize the Group's exposure to extra capital expenditure and operating costs associated with the mining operations. The management expected that the Group could generate a positive cash inflow from the mining operations segment in the coming years.

The initial term of the lease contract is for one year running from 30 March 2015 to 29 March 2016. Thereafter, the Group may renew the lease contract for successive one-year periods, for up to a maximum of ten years in total. The aggregate rent for the Mining Assets during the first year of tenure under the lease contract is RMB5,200,000 (HK$6,500,000), which shall be payable by 12 equal monthly installments. The management will constantly review the execution of the lease contract and closely monitor mining works done by the Lessee in order to safeguard the Group's mineral reserves.

The Financial Quotation Segment

The financial quotation segment was still the main revenue contributor of the Group. The business of the financial quotation segment is closely associated with the growth and prosperity of the stock market in Hong Kong. QuotePower is one of the leading financial quotation service providers in Hong Kong. It has long history in the market and has wide client base. However, it is believed that the market for paid financial quotation services has been fully developed and saturated. The potential for further development is very limited and raise of subscription price would only result in loss of subscribers. Despite the recent upsurge in the investment sentiments in the stock market, the Directors expect that the business environment of the segment remains challenging due to the keen competition, especially from those free-stock-quote services providers. The prospect of the segment depends on the management's ability to retain customers by providing quality services and to control costs. The management plans to (i) streamline corporate structure to cut administration costs; (ii) solicit more financial institutions, such as banks and securities brokerage firm to use our quotation services; (iii) improve the migration of data with securities brokerage firm's online trading portal to improve user experience; and (iv) improve portfolio management and alert services for subscribers.

The management expected that customers drain is an inevitable trend in the financial segment, since everyone gets accustomed to free information in the era of internet. The financial performance of the financial quotation segment may keep declining in the coming years.

The Encryption Technology and Products Segment

The encryption technology and product segment is rather new to the Group. The Company is in the process of formulating the business strategy for the encryption technology and product segment which might involve a possible scaling-down and/or sell-down and/or the introduction of new investors and/or new project partners in light of its uncertain market prospect. The Company is at present soliciting sale orders with potential wholesalers. It was thought that by entering into the segment, the Group could explore in the fast-growing portable communication and computing device industry. The Group is in the process of designing the second generation portable devices with built-in proprietary Quantum Direct Key encryption technology. The Group had already secured some sale order for the encryption devices. Subject to the obtaining of all necessary licenses, it was preliminary expected that the device would be launched in the first quarter of 2016. When all necessary licenses and approvals are obtained, the Group will launch these portable devices in the China market without incurring any significant capital expenditure.

Other

While the Group has been endeavoring to pursue the existing business, it has been formulating a business strategy with a view to diversifying its business and asset base in order to magnify the Company's development potential and the Shareholders' return.

During the year, the management has decided to engage in the money lending business in Hong Kong. The Company has set up a new wholly-owned subsidiary in Hong Kong, namely Ban Loong Finance Company Limited, to apply for a money lender license. During the year, as the application was still in progress, the Group had not carried out any lending business in Hong Kong to avoid violation of laws. The Group has successfully obtained the money lender license in June 2015. In the coming years, the Group will engage in the money lending business especially in the area of personal second mortgage loans.

On 24 April 2015, the Group has entered into a conditional sales and purchase agreement with an independent third party, for the purchase of seven property holding companies. According to the vendor, each of these seven property holding companies has entered into agreement to acquire a whole floor of Henan Building, a commercial building located in core area in Wanchai. Thus, upon completion, the Group will acquire seven whole floors of Henan Building with a gross floor area of approximately 22,322 square feet in aggregate.

Having considered the economic condition of the property market in Hong Kong and the liquidity floods in the capital market with the quantitative easing monetary policies, the management believed that property is a relatively less risky form of investment that can also enhance the long-term growth potential of the Group.

The proposed acquisition of these seven property holding companies is still in progress and is subject to approval from shareholders in a special general meeting. If the acquisition proceeds to completion, the Company intends to retain property agency companies to assist the Company in (a) identifying a new tenant when any existing tenancy expires without mutual agreement to extend; and (b) collecting rents from tenants on monthly basis and handling daily requests of existing tenants regarding interior repair and other miscellaneous matters.

The Board will continue to, leveraging on the experience and network of the Board members and senior management, explore other business opportunities. Except for those proposed fund raising activities after reporting period, the proposed major acquisition and disposal of available-for-sale investment which have all been disclosed and announced, the Company has no current intention or plan for any fund raising activities, any acquisition or investments, and any disposal or scale-down of any current business.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Group had in the year under review complied with the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), except for the following deviation:

Code Provision A.4.1

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

Code Provision A.6.7

Code Provision A.6.7 stipulates that independent non-executive directors ("INEDs") and other non-executive directors ("NEDs") should attend general meeting. Out of four INEDs of the Company, only two INEDs attended the annual general meeting of the Company held on 30 September 2014 (the "2014 AGM") but the other two INEDs were unable to attend the 2014 AGM due to other business engagement.

SHARE OPTION SCHEME

The new share option scheme of the Company was adopted on 30 September 2013 (the "New Option Scheme"). Pursuant to the New Option Scheme, the Directors are authorized to grant options to any executive or non-executive directors, any executives and employees and those persons who have contributed or will contribute to the Group as incentive schemes and rewards. Apart from the New Option Scheme, the Company did not have any other share option scheme.

During the period under review, no options were granted or exercised under the New Option Scheme.

BOARD DIVERSITY POLICY

With an aim to achieve diversity on the Board of the Company, the Board has approved and adopted a Board Diversity Policy (the "Policy") and revision to the terms of reference of the Nomination Committee of the Board to ensure the appropriate implementation of the Policy. The Policy was made with a view to achieving a sustainable and balanced development of the Company, of which, among others, all Board appointments will be based on meritocracy, and candidates will be considered against appropriate criteria, having due regard for the benefits of diversity on the Board.

The Company commits to selecting the best person for the role. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural background and ethnicity, in addition to educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Board's composition (including gender, age, length of service) will be disclosed in the Corporate Governance Report annually.

The Nomination Committee will report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of this Policy.

The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of Conduct regarding securities transactions by the directors of the Company. All Directors have confirmed that they fully complied with the Model Code during the period under review.

AUDIT COMMITTEE AND REVIEW OF ACCOUNTS

The Audit Committee has been set up by the Board with specific terms of reference, comprising three independent non-executive directors, namely, Mr. Jiang Zhi, Mr. Leung Ka Kui, Johnny and Ms. Wong Chui San, Susan (*Chairman*) have reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the audited accounts for the year ended 31 March 2015. The Audit Committee has reviewed the audited financial results of the Group for the year ended 31 March 2015.

NOMINATION COMMITTEE

The Nomination Committee has been established on 29 March 2012 with specific terms of reference for the purpose of reviewing the Board composition, advising the Board on the appointment and succession planning of Directors and assessing the independence of Independent Non-executive Directors. The Nomination Committee consists of two executive directors, namely, Mr. Chow Wang (*Chairman*) and Mr. Cheung Wai Shing and three independent non-executive directors, namely, Mr. Jiang Zhi, Mr. Leung Ka Kui, Johnny and Ms. Wong Chui San, Susan.

REMUNERATION COMMITTEE

The Remuneration Committee has been set up by the Board with specific terms of reference for the purpose of reviewing the remuneration of Directors and the remuneration policies of the Group. Currently, the Remuneration Committee consists of two executive directors, namely, Mr. Chow Wang and Mr. Cheung Wai Shing and three independent non-executive directors, namely, Mr. Jiang Zhi, Mr. Leung Ka Kui, Johnny (*Chairman*) and Ms. Wong Chui San, Susan.

DIRECTORS' SECURITIES TRANSACTIONS

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

PUBLICATION OF FINANCIAL INFORMATION

This result announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.0030hk.com). The Company's annual report for 2014/15 will be dispatched to the shareholders of the Company and available on the above websites in due course.

By Order of the Board of
ABC Communications (Holdings) Limited
Chow Wang
Chairman

Hong Kong, 30 June 2015

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

Executive Directors:
Mr. Chow Wang *(Chairman)*
Mr. Cheung Wai Shing
Mr. Xu Jian Zhong

Non-Executive Director:
Mr. Fong For

Independent Non-executive Directors:
Mr. Jiang Zhi
Mr. Leung Ka Kui, Johnny
Ms. Wong Chui San, Susan