WEALTH GLORY HOLDINGS LIMITED

富譽控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8269)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2012

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

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

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

The Board of Directors (the "Board") of Wealth Glory Holdings Limited (the "Company") is pleased to present the audited consolidated final results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2012 together with the audited comparative figures for the corresponding previous year as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2012

	Note	**2012** **HK$'000**	2011 HK$'000
Turnover	4	**104,434**	125,117
Cost of goods sold		**(78,815)**	(87,574)
Gross profit		**25,619**	37,543
Other income	5	**491**	60
Selling expenses		**(3,345)**	(2,260)
Administrative expenses		**(14,485)**	(8,232)
Other operating expenses		**(552)**	(2,091)
Profit before tax		**7,728**	25,020
Income tax expense	7	**–**	–
Profit for the year	8	**7,728**	25,020
Attributable to:			
Owners of the Company		**7,728**	25,020
Earnings per share	10		
Basic		**HK1.2 cents**	HK5.0 cents
Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2012

	2012	2011
	HK$'000	*HK$'000*
Profit for the year	**7,728**	25,020
Other comprehensive income for the year, net of tax:		
Exchange differences on translating foreign operations	**226**	288
Total comprehensive income for the year	**7,954**	25,308
Attributable to:		
Owners of the Company	**7,954**	25,308

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2012

	Note	2012 HK$'000	2011 HK$'000
Non-current assets			
Fixed assets		**10,167**	2,395
Current assets			
Inventories		**686**	1,607
Trade receivables	11	**17,187**	20,826
Prepayments and deposits		**522**	1,065
Bank and cash balances		**86,676**	46,799
		105,071	70,297
Current liabilities			
Trade payables	12	**8,162**	9,172
Accruals and other payables		**2,297**	1,286
		10,459	10,458
Net current assets		**94,612**	59,839
Total assets less current liabilities		**104,779**	62,234
Non-current liabilities			
Deferred tax liabilities		**3**	3
NET ASSETS		**104,776**	62,231
Capital and reserves			
Share capital	13	**6,624**	5,520
Reserves		**98,152**	56,711
TOTAL EQUITY		**104,776**	62,231

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2012

	Note	Share capital HK$'000	Share premium HK$'000	Merger reserve HK$'000	Share-based payment reserve HK$'000	Foreign currency translation reserve HK$'000	Legal reserve HK$'000	Retained profits HK$'000	Proposed final dividend HK$'000	Total equity HK$'000
1 April 2010		234	–	–	–	(979)	485	24,051	–	23,791
Reorganisation		4,246	–	(4,246)	–	–	–	–	–	–
Issue of shares on placement	13(d)	1,040	24,960	–	–	–	–	–	–	26,000
Share issue expenses		–	(4,868)	–	–	–	–	–	–	(4,868)
Total comprehensive income for the year		–	–	–	–	288	–	25,020	–	25,308
Dividends paid	9	–	–	–	–	–	–	(8,000)	–	(8,000)
2011 proposed final dividend	9	–	–	–	–	–	–	(9,936)	9,936	–
Changes in equity for the year		5,286	20,092	(4,246)	–	288	–	7,084	9,936	38,440
At 31 March 2011 and 1 April 2011		5,520	20,092	(4,246)	–	(691)	485	31,135	9,936	62,231
Issue of shares on placement	13(e)	1,104	39,744	–	–	–	–	–	–	40,848
Share issue expenses		–	(453)	–	–	–	–	–	–	(453)
Share-based payments		–	–	–	4,132	–	–	–	–	4,132
Total comprehensive income for the year		–	–	–	–	226	–	7,728	–	7,954
Dividends paid		–	–	–	–	–	–	–	(9,936)	(9,936)
Changes in equity for the year		1,104	39,291	–	4,132	226	–	7,728	(9,936)	42,545
At 31 March 2012		6,624	59,383	(4,246)	4,132	(465)	485	38,863	–	104,776

NOTES:

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is Unit 4, 10/F., Lucky Commercial Centre, 103 Des Voeux Road West, Hong Kong. The shares of the Company are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries are manufacture and sales of fresh and dried noodles.

2. GROUP REORGANISATION AND BASIS OF PREPARATION

Pursuant to a group reorganisation (the "Reorganisation") for the purpose of listing (the "Listing") the Company's ordinary shares on the Stock Exchange, the Company was incorporated and became the holding company of Paraburdoo Limited ("Paraburdoo") and its subsidiaries now comprising the Group since 24 September 2010. Further details of the Reorganisation are also set out in the paragraphs headed "Corporate Reorganisation" in Appendix V to the prospectus of the Company dated 30 September 2010 in connection with the Listing.

As the Reorganisation only involved inserting a new holding entity at the top of an existing group and has not resulted in any change of economic substances, the financial statements of the Group have been presented as a continuation of the existing group based on the principles and procedures of merger accounting in accordance with Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants, as if the group structure after Reorganisation had been in existence rather than from date of incorporation of the Company.

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

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 April 2011. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current year and prior years.

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

4. TURNOVER

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

5. OTHER INCOME

	2012	2011
	HK$'000	*HK$'000*
Interest income	**491**	46
Others	**–**	14
	491	60

6. SEGMENT INFORMATION

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

Geographical information:

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

	Revenue		**Non-current assets**	
	2012	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**1,591**	1,530	**17**	21
Macau	**–**	–	**48**	175
PRC except Hong Kong and Macau	**7,456**	5,665	**9,842**	2,199
Australia	**17,957**	29,406	**–**	–
Canada	**15,010**	19,135	**–**	–
Dubai U.A.E.	**7,663**	8,165	**–**	–
Malaysia	**25,941**	34,344	**–**	–
New Zealand	**7,494**	6,872	**260**	–
Thailand	**12,279**	11,284	**–**	–
United Kingdom	**7,263**	7,482	**–**	–
Others	**1,780**	1,234	**–**	–
Consolidated total	**104,434**	125,117	**10,167**	2,395

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

There was no customer who accounted for 10% or more of the Group's revenue for the years ended 31 March 2011 and 2012.

7. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made for the year ended 31 March 2012 as the Group did not generate any assessable profits arising in Hong Kong (2011: Nil).

The subsidiary, Shui Ye Foods (Shanghai) Co., Ltd., operating in the PRC, is subject to corporate income tax rate of 25% (2011: 25%) on its taxable profit in accordance with the PRC Corporate Income Tax Law. No provision for corporate income tax has been made as it has no assessable profit for the year ended 31 March 2012 (2011: Nil).

According to the current applicable laws of the Macau Special Administrative Region, Macau Complementary Tax is calculated at a progressive rate from 9% to 12% (2011: 9% to 12%) on the estimated assessable profits for the year with the first two hundred thousand patacas assessable profits being free from tax. However, the subsidiary, Greenfortune (Macao Commercial Offshore) Limited, operating in Macau during the year is in compliance with the Decree-Law No. 58/99/M of Macau Special Administrative Region, and thus, the profits generated by the subsidiary is exempted from the Macau Complementary Tax. Further, in the opinion of the directors, that portion of the Group's profit is not at present subject to taxation in any other jurisdictions in which the Group operates.

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

For the year ended 31 March 2012

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

For the year ended 31 March 2011

	Macau HK$'000	Hong Kong HK$'000	PRC HK$'000	Total HK$'000
Profit/(loss) before tax	31,865	(4,592)	(2,253)	25,020
Applicable income tax rate	12%	16.5%	25%	
Tax at the applicable income tax rate	3,824	(758)	(563)	2,503
Tax effect of income not taxable	–	(3)	–	(3)
Tax effect of expenses not deductible	–	605	–	605
Tax effect of tax losses not recognised	–	156	563	719
Profits exempted from the Macau Complementary Tax	(3,824)	–	–	(3,824)
Income tax expense	–	–	–	–

8. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging the following:

	2012 **HK$'000**	2011 HK$'000
Allowance for inventories#	**320**	–
Auditor's remuneration	**732**	704
Cost of inventories sold *(note)*	**78,815**	87,574
Depreciation	**567**	521
Fixed assets written off	**–**	2
Inventories written off#	**28**	16
Loss on disposals of fixed assets	**46**	–
Net foreign exchange loss	**573**	615
Operating lease charges		
– Land and buildings	**1,340**	989
Other equity-settled share-based payments	**957**	–
Staff costs including directors' emoluments		
Salaries, bonus and allowances	**5,596**	3,952
Equity-settled share-based payments	**3,175**	–
Retirement benefit scheme contributions	**667**	517
	9,438	4,469

\# *Included in cost of inventories sold*

Note: Cost of inventories sold includes staff costs of approximately HK$1,297,000 (2011: HK$1,130,000), depreciation of approximately HK$118,000 (2011: HK$123,000) and operating lease charges of approximately HK$434,000 (2011: HK$419,000), which are included in the amounts disclosed separately above.

9. DIVIDENDS

	2012	2011
	HK$'000	*HK$'000*
Special *(note)*	**–**	8,000
Proposed final of Nil (2011: HK1.5 cents) per ordinary share	**–**	9,936
	–	17,936

Note: Paraburdoo, a subsidiary of the Company, declared and paid a special dividend of HK$8,000,000 for the year ended 31 March 2011 to its then shareholders prior to the Reorganisation of the Group. The rate of dividends and the number of shares ranking for dividends are not presented as such information is not meaningful having regard to the purpose of this announcement.

10. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately HK$7,728,000 (2011: HK$25,020,000) and the weighted average number of ordinary shares of 649,429,508 (2011: 496,153,425) in issue during the year.

Diluted earnings per share

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary sharing during the two years ended 31 March 2011 and 2012.

11. TRADE RECEIVABLES

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

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

	2012	2011
	HK$'000	*HK$'000*
0 to 90 days	**15,984**	20,602
91 to 180 days	**1,203**	89
181 to 365 days	**–**	135
	17,187	20,826

As of 31 March 2012, trade receivables of approximately HK$429,000 (2011: HK$3,750,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2012	2011
	HK$'000	*HK$'000*
Overdue by:		
Up to 90 days	**429**	3,615
91 to 180 days	**–**	135
	429	3,750

Subsequent to 31 March 2012, the Group received cash settlement amount of approximately HK$428,000 for balances overdue. For the remaining balances overdue, these relate to a number of independent customers that have good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been significant change in credit quality and the balance are still considered fully recoverable. The Group does not hold any collateral over these balances.

12. TRADE PAYABLES

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

	2012	2011
	HK$'000	*HK$'000*
0 to 90 days	**8,096**	9,025
91 to 180 days	**66**	147
	8,162	9,172

13. SHARE CAPITAL

	Note	Number of shares	Amount HK$'000
Authorised:			
Ordinary shares of HK$0.01 each			
At 1 April 2010		–	–
Upon incorporation	(a)	38,000,000	380
Increase in authorised share capital of HK$0.01 each	(b)	962,000,000	9,620
At 31 March 2011, 1 April 2011 and 31 March 2012		1,000,000,000	10,000
Issued and fully paid:			
Ordinary shares of HK$0.01 each			
At 1 April 2010		–	–
Upon incorporation	(a)	1	–
Share swap	(c)	447,999,999	4,480
Issue of shares on placement	(d)	104,000,000	1,040
At 31 March 2011 and 1 April 2011		552,000,000	5,520
Issue of shares on placement	(e)	110,400,000	1,104
At 31 March 2012		662,400,000	6,624

The Company was incorporated in the Cayman Islands on 25 June 2010 and therefore there was no issued share capital as at 1 April 2010.

Notes:

(a) The Company was incorporated in the Cayman Islands on 25 June 2010 with an authorised share capital of HK$380,000 divided into 38,000,000 shares at par of HK$0.01 each. Upon incorporation, 1 share was alloted and issued at fully paid to the initial subscriber on 25 June 2010.

(b) Pursuant to the written resolution of shareholders of the Company passed on 22 September 2010, the Company's authorised share capital was increased from HK$380,000 to HK$10,000,000 by the creation of an additional 962,000,000 shares of HK$0.01 each.

(c) On 24 September 2010, pursuant to a share swap agreement entered into among the Company and all of the then shareholders of Paraburdoo, the Company acquired the entire issued share capital of Paraburdoo from the then shareholders of Paraburdoo comprising the same persons as the shareholders of the Company immediately prior to the placing of shares. In consideration of the abovementioned share swap, 447,999,999 shares of HK$0.01 each were allotted and issued by the Company at par to the then shareholders of Paraburdoo, credited as fully paid.

(d) In connection with the placing of shares of the Company, an aggregate of 104,000,000 new ordinary shares of HK$0.01 each were issued at a price of HK$0.25 per share for a total cash consideration, before issuance costs, of HK$26,000,000.

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

FINAL DIVIDEND

The Directors do not recommend payment of a final dividend for the year ended 31 March 2012 (2011: HK1.5 cents per share).

BUSINESS REVIEW

The Group is principally engaged in (i) the supply and sale of dried noodles including bowl noodles and packed noodles; and (ii) the manufacture and sale of fresh noodles, including but not limited to hefen, wonton noodles and yi mein. The Group's dried noodles are mainly sold to overseas food product wholesalers engaged in trading and distribution of food products mainly in Australia, Canada and South East Asia, and our Group's fresh noodles are mainly sold to restaurants, hotels and cafes located nearby our Group's production base in Shanghai, the People's Republic of China (the "PRC").

During the year under review, the Group's turnover had been unfavourably affected by the tightening up of formalities for domestic and export sales that were attributable to the PRC Government's concern with the food safety scandals, led to more stringent domestic measures on food quality controls and other process to reduce the food safety risks. This had triggered delay in goods clearance procedures, caution among customers, and an overall reduction in the sales volume since the late 2011. Together with the escalating costs in raw materials and the downturn in global economy, the Group's performance for export sales had been significantly affected.

Although the Group had been implementing the scheduled objectives and future plans, taking into account the continuously unstable global economy and instability in the financial market in recent months, the Group was in the course of identifying further investment opportunities in order to diversify its existing business. During the year, the Group had found a new business segment which would contribute steady revenue stream to the Group and maximize the return to the shareholders.

On 13 April 2011, a wholly owned subsidiary of the Company had entered into an agreement with a supplier pursuant to which the supplier would provide design, procure three production lines and their installation and carry out necessary inspection and certification of the production lines in the production base of the Group in Shanghai, the PRC. The production lines were for production of dried noodles and were similar to the existing production lines for dried noodles of the Group. The production lines had been ready for use and would be operated for production of dried noodles for the PRC domestic market. Each of their total production capacity would be similar to the existing production lines of dried noodles of the Group.

On 29 April 2011, the Company announced to raise through a top-up placing of 110,400,000 existing shares at HK$0.37 each net proceeds amounted approximately HK$40.4 million. The top-up placing represented a good opportunity for the Company to raise further capital for the Company, while at the same time broadening its shareholder and capital base. It was intended that the net proceeds from the subscription would be applied up to HK$10 million as general working capital and the remaining to acquire businesses, assets or technologies to further enhance or improve the existing business operation of the Group and to complement the existing business objective and future plans of the Company when opportunities arise in future.

On 1 December 2011, the Group had entered into a memorandum of understanding (the "MOU") with an independent third party in respect of a possible acquisition of copper mining rights in Tibet, the PRC. Since the exclusive period of the MOU had not been extended, the MOU was lapsed on 28 February 2012. Notwithstanding that, the Group continued to explore and study other potential projects for investments.

On 25 May 2012, a wholly owned subsidiary of the Company had entered into a conditional acquisition agreement with an independent third party, Intellect Hero Limited, pursuant to which the Group could diversify its existing businesses and tap into the coal trading business in the PRC by acquiring the 100% interest in Eminent Along Limited at a total consideration of HK$100 million. The Group would then indirectly hold 33.33% equity interests of the target group. According to the terms of the agreement, the Group would be able to benefit from the positive prospects of the target group in light of the increasing demand of coal in the PRC, and to benefit from the potential investment returns to achieve increasing revenue to the Group and maximize the returns to the shareholders. For financing the initial working capital of the target group, the Company had also conditionally agreed to provide a facility of HK$5 million to the target group. Details can be found in the announcement of the Company dated 25 May 2012. The acquisition and the facility would be subject to shareholders' approval.

On 12 June 2012, the Company announced to propose to raise approximately HK$51 million through placing of 300,000,000 new shares at the price of HK$0.17 per share and net proceeds receivable by the Company under the placing were estimated to be approximately HK$49.6 million after deducting relevant expenses incurred in placing.

The net proceeds from placing would provide funding to meet the capital requirement for the acquisition of new coal trading business in the PRC and also allow the Company to diversify its existing businesses. The shares to be issued under this placing would be under a specific mandate subject to shareholders' approval.

FINANCIAL REVIEW

For the year ended 31 March 2012, the Group's turnover decreased by approximately 16.5% to approximately HK$104.4 million from approximately HK$125.1 million compared to the corresponding previous year. The decrease in turnover was principally attributed to the decrease in orders from overseas customers due to the tightening up of formalities for export sales that were attributable to the PRC Government's concern with the food safety scandals, led to more stringent measures on food quality controls and other process to reduce the food safety risks for export to overseas countries. This had triggered delay in goods clearance procedures, caution among customers, and an overall reduction in the sales volume since the late 2011. Together with the downturn in global economy, the Group's performance for sales had been significantly affected. In term of geographical segments, South East Asia, Australia and Canada were still our major markets, which represented approximately 36.6%, 17.2% and 14.4% of the Group's turnover.

The gross profit of the Group for the year ended 31 March 2012 decreased to approximately HK$25.6 million as compared to approximately HK$37.5 million for the corresponding previous year, a decrease of approximately 31.8%. The decrease in gross profit was mainly attributed to the decrease in turnover and also the decrease in gross profit margin attributable to the escalating costs in raw materials which the Group could not fully transfer all the increased costs to the customers.

The Group's selling expenses for the year ended 31 March 2012 were increased to approximately HK$3.3 million compared to approximately HK$2.3 million for the corresponding previous year. The increase was mainly attributed to the equity-settled share-based payments of approximately HK$1.1 million charged to the income statement for grant of share options during the year under review.

The Group's administrative expenses for the year ended 31 March 2012 increased by approximately 76.0% to approximately HK$14.5 million compared to approximately HK$8.2 million for the corresponding previous year. The increase was mainly attributed to the increase in outlays in entertainment and traveling, share-based payments, legal and professional fees and costs and expenses incurred in engaging professional advisers exploring potential investment projects for the Group.

The Group's other operating expenses for the year ended 31 March 2012 were decreased to approximately HK$0.6 million compared to approximately HK$2.1 million in the corresponding previous year.

The Group's profit attributable to owners for the year ended 31 March 2012 was decreased by approximately 69.1% to approximately HK$7.7 million compared to approximately HK$25.0 million for the corresponding previous year. The Group's profit can be summarised as mainly attributable to approximately 16.5% decrease in turnover, approximately 31.8% decrease in the Group's overall gross profit and approximately 76.0% increase in administrative expenses.

Liquidity, financial resources and capital structure

	2012	2011
	HK$'000	*HK$'000*
	(approx.)	(approx.)
Current assets	**105,071**	70,297
Current liabilities	**10,459**	10,458
Current ratio	**10.0**	6.7

The current ratio of the Group as at 31 March 2012 was 10.0 times compared with 6.7 times as at 31 March 2011. The increase was mainly attributable to the increase in bank and cash balances generated from net profit and the net proceeds raised from the top-up placing of the shares of the Company during the year.

As at 31 March 2012, the Group had bank and cash balances of approximately HK$86.7 million (2011:approximately HK$46.8 million) and had no external borrowings.

As at 31 March 2012, the Group's gearing ratio represented by the total liabilities as a percentage of the Group's total assets amounted to approximately 9.1% (2011: approximately 14.4%). The decrease in the gearing ratio was mainly attributable to the increase in total assets mainly from bank and cash balances.

As at 31 March 2012, there was no significant investment held by the Group (2011: Nil).

As at 31 March 2012, the Group and the Company had no significant contingent liabilities and no charges on its assets (2011: Nil).

Foreign Exchange Exposure

The Group has certain exposure to foreign currency risk as some of its business transactions, assets and liabilities are denominated in currencies other than the functional currency of respective group entities, such as United States dollars ("USD") and Renminbi mainly for the Group's sales and purchases. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure should the need arise.

Treasury Policies

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

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2012, the Group had 74 (2011: 80) employees, including the Directors. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. The Group also participates in a retirement benefit scheme for its staff in the PRC and a defined statutory mandatory provident fund scheme to its employees in Hong Kong. The Group has adopted a share option scheme of which the Board may, at its discretion, grant options to eligible participants of the share option scheme.

OUTLOOK

Due to uncertainty of global economy and downturn in financial market in recent months, the Group has fine tuned and slightly rescheduling the future plans as set out in the prospectus of the Group dated 30 September 2010. The Group will execute its development plans as originally planned. The Group believes expanding domestic sales in the PRC is a critical strategy to the future success of our Group and the Group will continue to seek opportunities in existing business to broaden and maintain the Group's customers base.

Going forward in the next year, all newly installed production lines will be ready for production and the Group will continue to recruit and train its staff team for production. Evaluation and improvement of operation mode of new production lines will continue to be carried out.

To further expand the overseas markets, the Group will strengthen the current communication channels with existing customers and enlarge the customer base by further exploring business opportunities with potential customers in existing markets and new markets basing on the information gathered from government trade bureaus, the internet, business trips and tradeshows. The Group will also regularly participate tradeshows to enhance the Group's corporate profile, select suitable locations to set up the new overseas sales offices, recruit new staff for new overseas sales offices and recruit and train new sales and marketing staff.

The Group will continue to develop marketing and brand building in the PRC, improve existing products and develop new tastes, ingredients and appearances to customers to fulfill the customers' demands and preferences.

Moreover, the Group has started to diversify its existing businesses and tap into the new coal trading business which is expected this new business segment will contribute as an steady revenue stream and maximize the return to the shareholders.

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

Save for the placing of the Company's new shares as disclosed in note 13(e) to the announcement, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the year.

CORPORATE GOVERNANCE PRACTICES

The Company acknowledges the important role of its Board in providing effective leadership and direction to the Group's business, and ensuring transparency and accountability of the Company's operations. The Board has set out appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business.

The Company has applied the principles and code provisions as set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 15 to the GEM Listing Rules.

In the opinion of the Board, the Company has complied with the code provisions set out in the CG Code.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its securities dealing code (the "Own Code") regarding Directors' dealings in the Company's securities by the Directors, senior personnel and certain employees of the Group (who are likely to be in possession of unpublished price sensitive information in relation to the Company or its securities) on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings"). Specific enquiry has been made of the Directors and all of them have confirmed that they have complied with the required standards set out in the Required Standard of Dealings and the Own Code throughout the period from 14 October 2010 (the listing date) to 31 March 2012.

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

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

REVIEW BY THE AUDIT COMMITTEE

The annual results for the year ended 31 March 2012 has been reviewed by the Audit Committee of the Company, which is of the opinion that the information contained therein had complied with the disclosure requirements of the GEM Listing Rules, and that adequate disclosures has been made.

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

Hong Kong, 22 June 2012

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

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

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