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 2020

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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, 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 collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 seven days from the date of its publication and on the website of the Company at www.wealthglory.com.

ANNUAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Wealth Glory Holdings Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries for the year ended 31 March 2020. This announcement, containing the full text of the 2020 Annual Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") in relation to information to accompany preliminary announcement of annual results.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2020

	Notes	**2020** HK$'000	2019 HK$'000
Revenue	4	**66,198**	96,721
– Goods and service		**64,169**	94,113
– Interest		**2,029**	2,608
Cost of sales		**(60,199)**	(90,618)
Gross profit		**5,999**	6,103
Other income	5	**2,751**	3,413
Other gains and losses, net	6	**(2,337)**	6,711
Impairment loss of financial assets at amortised cost	7	**(3,474)**	(9,164)
Impairment loss of intangible assets		**–**	(4,079)
Impairment loss of goodwill		**(4,885)**	–
Selling expenses		**(751)**	(330)
Administrative expenses		**(15,967)**	(18,146)
Other expenses		**(435)**	(1,333)
Loss from operations		**(19,099)**	(16,825)
Finance costs	8	**(839)**	(1,296)
Loss before taxation		**(19,938)**	(18,121)
Taxation	9	**72**	(54)
Loss for the year	10	**(19,866)**	(18,175)
Other comprehensive (expense)/income for the year:			
Items that will not be reclassified to profit or loss:			
Fair value (loss)/gain on financial assets at fair value through other comprehensive income		**(1,113)**	599
Total comprehensive expense for the year		**(20,979)**	(17,576)

	Notes	2020 HK$'000	2019 HK$'000
Loss for the year attributable to:			
Owners of the Company		**(19,855)**	(16,745)
Non-controlling interests		**(11)**	(1,430)
		(19,866)	(18,175)
Total comprehensive expense for the year attributable to:			
Owners of the Company		**(20,968)**	(16,146)
Non-controlling interests		**(11)**	(1,430)
		(20,979)	(17,576)
		HK cents	*HK cents* (Restated)
Loss per share			
Basic and diluted	*12*	**(9.66)**	(8.15)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2020

	Notes	2020 HK$'000	2019 HK$'000
Non-current assets			
Property, plant and equipment		**6,278**	3,013
Right-of-use assets		**2,097**	–
Deposits and other receivables		**438**	8,572
Goodwill		**29,394**	34,279
Intangible assets		**977**	1,412
Financial assets at fair value through other comprehensive income ("**FVTOCI**")		**2,742**	3,855
		41,926	51,131
Current assets			
Inventories		**768**	891
Financial assets at fair value through profit and loss ("**FVTPL**")		**2,668**	15,456
Trade receivables	*13*	**33,663**	20,760
Loans receivables	*14*	**27,284**	26,939
Prepayments, deposits and other receivables		**17,324**	7,182
Loans to investees		**5,750**	5,246
Cash and cash equivalents		**462**	13,756
		87,919	90,230
Current liabilities			
Trade payables	*15*	**–**	2,771
Accruals and other payables		**21,388**	11,960
Lease liabilities		**1,489**	–
Other borrowings		**2,955**	2,771
Tax payable		**175**	224
		26,007	17,726
Net current assets		**61,912**	72,504

	Notes	**2020**	2019
		HK$'000	*HK$'000*
Total assets less current liabilities		**103,838**	123,635
Non-current liabilities			
Lease liabilities		**690**	–
Bonds		**9,214**	8,650
Deferred tax liabilities		**107**	179
		10,011	8,829
Net assets		**93,827**	114,806
Capital and reserves			
Share capital		**49,304**	49,304
Reserves		**44,523**	65,491
Equity attributable to owners of the Company		**93,827**	114,795
Non-controlling interests		**–**	11
Total equity		**93,827**	114,806

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
At 31 March 2020

1. GENERAL INFORMATION

Wealth Glory Holdings Limited (the "**Company**") is incorporated in the Cayman Islands with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The addresses of the registered office and principal place of business of the Company are 12/F, The Pemberton, No. 22-26 Bonham Strand, Hong Kong.

The Company acts as an investment holding company.

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 AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

New and Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") for the first time in the current year:

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle

Except as described below, the application of the new and amendments to 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.

2.1 HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 Leases ("**HKAS 17**"), and the related interpretations.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

As at 1 April 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

i. relied on the assessment of whether leases are onerous by applying HKAS 37 Provisions, Contingent Liabilities and Contingent Assets as an alternative of impairment review; and

ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;

On transition, the Group has made the following adjustments upon application of HKFRS 16:

The Group recognised lease liabilities of approximately HK$3,681,000 and right-of-use assets of approximately HK$3,681,000 at 1 April 2019.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rate applied is 3.18%.

	At 1 April 2019 *HK$'000*
Operating lease commitments disclosed at 31 March 2019	3,691
Add: reinstatement costs	120
Lease liabilities discounted at relevant incremental borrowing rates	(130)
Lease liabilities at 1 April 2019	3,681
Analysed as:	
Current	1,502
Non-current	2,179
	3,681

The carrying amount of right-of-use assets at 1 April 2019 comprises the following:

	HK$'000
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	3,681
By class	
Leased properties	3,681

The following adjustments were made to amounts recognised in the consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

	Carrying amounts previously reported at 31 March 2019	**Adjustments**	**Carrying amounts under HKFRS 16 at 1 April 2019**
	HK$'000	*HK$'000*	*HK$'000*
Non-current assets			
Right-of-use assets	–	3,681	3,681
Current liabilities			
Lease liabilities	–	1,502	1,502
Non-current liabilities			
Lease liabilities	–	2,179	2,179

Note: For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 March 2020, movements in working capital have been computed based on opening statement of financial position as at 1 April 2019 as disclosed above.

New and Amendments to HKFRSs in issue but not yet effective

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

HKFRS 17	Insurance Contracts[1]
Amendments to HKFRS 3	Definition of a Business[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current[5]
Amendments to HKAS 1 and HKAS 8	Definition of Material[4]
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform[4]

1 Effective for annual periods beginning on or after 1 January 2021.
2 Effective for business combination and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
3 Effective for annual periods beginning on or after a date to be determined.
4 Effective for annual periods beginning on or after 1 January 2020.
5 Effective for annual periods beginning on or after 1 January 2022.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, the Amendments to References to the Conceptual Framework in HKFRS Standards, will be effective for annual periods beginning on or after 1 January 2020.

The directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance and Basis of Preparation

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based payment, leasing transactions that are accounted for in accordance with HKFRS 16 (since 1 April 2019) or HKAS 17 (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of assets.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable for goods sold and services provided by the Group, net of discounts and sales related taxes for both years.

Revenue by product type is as follows:

	2020	2019
	HK$'000	*HK$'000*
Natural Resources and Commodities	**28,239**	57,278
Trading of Consumer Products	**35,930**	36,835
Money Lending	**2,029**	2,608
	66,198	96,721

Segment revenue and results

The Group determines its operating segment and measurement of segment profit based on the internal reports to executive directors, the Group's chief operating decision makers (the "**CODM**"), for the purposes of resource allocation and performance assessment.

In addition, because no revenue is generated from 3D phone operations during the current and prior years, these operations are not included in the internal reports provided to the CODM and hence not considered as operating segments.

During the year ended 31 March 2020, the Group's reportable and operating segments are therefore as follows:

(a) the natural resources and commodities business segment engaged in the trading of natural resources and commodities including but not limited to iron ore concentrate, coal and crude palm oil etc. ("**Natural Resources and Commodities**");

(b) the trading of fashion items, camera bags and sport car ("**Trading of Consumer Products**");

(c) interest income from the money lending business ("**Money Lending**"); and

(d) the investments in securities in Hong Kong ("**Securities Investment**").

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

	2020				
	Trading of Resources and Commodities *HK$'000*	**Trading of Consumer Products** *HK$'000*	**Money Lending** *HK$'000*	**Securities Investment** *HK$'000*	**Total** *HK$'000*
Segment revenue					
External	**28,239**	**35,930**	**2,029**	**–**	**66,198**
Timing of revenue recognition					
At a point of time	**28,239**	**35,930**	**–**	**–**	**64,169**
Over time	**–**	**–**	**2,029**	**–**	**2,029**
	28,239	**35,930**	**2,029**	**–**	**66,198**
Segment results	**1,034**	**(124)**	**160**	**(2,617)**	**(1,547)**
Reconciliation:					
Interest income					**2,751**
Amortisation of intangible assets					**(435)**
Impairment of other receivable					**(291)**
Impairment loss of goodwill					**(4,885)**
Impairment loss recognised in respect of loan receivables					**(233)**
Impairment loss recognised in respect of trade receivables					**(388)**
Impairment loss recognised in respect of loan to investees					**(2,562)**
Change in fair value on financial assets at fair value through profit or loss					**26**
Unallocated corporate expenses					**(11,542)**
Unallocated finance costs					**(832)**
Loss before taxation					**(19,938)**

	2019				
	Trading of Resources and Commodities *HK$'000*	Trading of Consumer Products *HK$'000*	Money Lending *HK$'000*	Securities Investment *HK$'000*	Total *HK$'000*
Segment revenue					
External	57,278	36,835	2,608	–	96,721
Timing of revenue recognition					
At a point of time	57,278	36,835	–	–	94,113
Over time	–	–	2,608	–	2,608
	57,278	36,835	2,608	–	96,721
Segment results	(720)	(575)	290	(3,674)	(4,679)
Reconciliation:					
Interest income					2,513
Share-based payments					(2,967)
Amortisation of intangible assets					(1,333)
Impairment of other receivable					(8,048)
Impairment loss recognised in respect of intangible assets					(4,079)
Impairment loss recognised in respect of loan receivables					(85)
Impairment loss recognised in respect of trade receivables					(31)
Impairment loss recognised in respect of loan to investees					(1,000)
Gain on disposal of subsidiaries					5,851
Loss on disposed of property, plant and equipment					(829)
Change in fair value on financial assets at fair value through profit or loss					4,986
Unallocated corporate expenses					(7,708)
Unallocated finance costs					(712)
Loss before taxation					(18,121)

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment (loss) profit represents the (loss incurred) profit earned by each segment without allocation of interest income, amortisation of intangible assets, impairment losses recognised in respect of goodwill, intangible assets, other receivables and property, plant and equipment, loss on loan to an investee, unallocated corporate expenses and certain finance costs. This is the measure reported to the Group's CODM for the purpose of resource allocation and performance assessment. The CODM only focuses on monitoring segment performances without reviewing segment assets and liabilities. Accordingly, no segment assets and segment liabilities are presented.

Other segment information

For the year ended 31 March 2020

	Trading of Resources and Commodities	**Trading of Consumer Products**	**Money Lending**	**Securities Investment**	**Unallocated**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Amounts included in the measure of segment results:						
Depreciation of right-of-use assets	**–**	**208**	**–**	**–**	**1,376**	**1,584**
Depreciation of property, plant and equipment	**–**	**27**	**–**	**–**	**2,137**	**2,164**
Finance costs	**–**	**7**	**–**	**–**	**832**	**839**

For the year ended 31 March 2019

	Trading of Resources and Commodities	Trading of Consumer Products	Money Lending	Securities Investment	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Amounts included in the measure of segment results:						
Depreciation of property, plant and equipment	–	28	–	–	1,054	1,082
Finance costs	–	–	539	–	757	1,296

Geographical information

The Group's revenue from external customers and information about non-current assets by geographical location of the customers and assets (excluding financial assets) respectively are detailed below:

	Revenue from external customers		**Non-current assets**	
	2020	2019	**2020**	2019
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**9,681**	22,987	**38,746**	38,704
The People's Republic of China (the "**PRC**") (except Hong Kong)	**56,517**	36,680	**–**	–
Indonesia	**–**	35,114	**–**	–
Total	**66,198**	94,781	**38,746**	38,704

Information about major customers

Revenue from customers of the corresponding years individually contributing over 10% of total sales of the Group, deriving revenue from the Group's reportable and operating segment, are as follows:

	2020	2019
	HK$'000	*HK$'000*
Customer A[1]	**8,708**	11,676
Customer B[2]	**9,260**	N/A(Note)
Customer C[1]	**11,712**	N/A(Note)
Customer D[2]	**18,979**	N/A(Note)
Customer E[2]	**N/A(Note)**	35,114

1 These revenue are derived from the Group's Trading of Consume Products.

2 These revenue are derived from the Group's Natural Resources and Commodities segment.

Note: The corresponding revenue did not contractile over 10% of the total revenue of the Group.

5. OTHER INCOME

	2020	2019
	HK$'000	*HK$'000*
Bank interest income	**2**	4
Interest income from loans to investees	**2,609**	2,509
Convertible bond interest income	**140**	–
Dividend income	**–**	36
Others	**–**	864
	2,751	3,413

6. OTHER GAINS AND LOSSES, NET

	2020	2019
	HK$'000	*HK$'000*
Gain from changes in fair value on financial assets at FVTPL	**1,212**	1,478
Net foreign exchange gain	**254**	377
Loss on disposal of financial assets at FVTPL	**(3,803)**	(166)
Loss on disposal of property, plant and equipment	**–**	(829)
Gain on disposal of subsidiaries	**–**	5,851
	(2,337)	6,711

7. IMPAIRMENT LOSS OF FINANCIAL ASSETS AT AMORTISED COST

	2020	2019
	HK$'000	*HK$'000*
Impairment loss of trade receivables	**388**	31
Impairment loss of other receivables	**291**	8,048
Impairment loss of loans to investees	**2,562**	1,000
Impairment loss of loans receivables	**233**	85
	3,474	9,164

8. FINANCE COSTS

	2020	2019
	HK$'000	*HK$'000*
Interests on other borrowings	**184**	722
Interest on lease liabilities	**91**	–
Effective interests on bonds	**564**	574
	839	1,296

9. TAXATION

	2020	2019
	HK$'000	*HK$'000*
Tax credit comprise of:		
Current tax	**–**	166
Overprovision in prior year	**–**	(40)
Deferred tax credit	**(72)**	(72)
	(72)	54

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

The tax charge for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

	2020	2019
	HK$'000	*HK$'000*
Loss before taxation	**(19,938)**	(18,121)
Tax at the income tax rate of 16.5% (2019: 16.5%)	**(3,290)**	(2,990)
Tax effect of expenses not deductible for tax purposes	**3,492**	5,384
Tax effect of income not taxable for tax purposes	**(335)**	(4,398)
Tax effect of the tax losses not recognised	**69**	2,098
Tax reduction	**(8)**	–
Overprovision in prior year	**–**	(40)
Taxation for the year	**(72)**	54

10. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	2020	2019
	HK$'000	*HK$'000*
Auditor's remuneration	**670**	670
Cost of inventories recognised as an expense	**33,499**	33,481
Depreciation of property, plant and equipment	**2,164**	1,082
Depreciation of right-of-use assets	**1,584**	–
Amortisation of intangible assets (included in other expenses)	**435**	1,333
Operating lease rentals in respect of land and buildings	**–**	2,194
Staff costs including directors' emoluments		
– Salaries, wages and other benefits	**3,004**	3,427
– Share-based payments	**–**	1,992
– Contributions to retirement benefits schemes	**88**	106
Total staff costs	**3,092**	5,525
Share-based payments to consultants (included in other expenses)	**–**	975

11. DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company during 2020, nor has any dividend been proposed since the end of the reporting period (2019: HK$Nil).

12. LOSS PER SHARE

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

	2020 *HK$'000*	2019 *HK$'000*
Loss for the year attributable to owners of the Company		
Loss for the purposes of basic and diluted loss per share	**(19,855)**	(16,745)

	2020 *'000*	2019 *'000* (Restated)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**205,434**	205,434

Note: The weighted average number of ordinary shares in issue during the year ended 31 March 2020 has been adjusted for share consolidation on 9 October 2019.

The computation of diluted loss per share for the years ended 31 March 2020 and 2019 do not assume the exercise of the Company's share options since their assumed conversion would result in a decrease in loss per share.

13. TRADE RECEIVABLES

	2020 *HK$'000*	2019 *HK$'000*
Trade receivables	**34,085**	20,794
Less: Impairment	**(422)**	(34)
	33,663	20,760

The Group's credit terms generally range from 30 to 120 days. Each customer has a maximum credit limit. Overdue balances are reviewed regularly by the directors. An ageing analysis of the trade receivables presented based on the invoice date (which is approximate the revenue recognition date) at the end of the reporting period is presented below.

	2020 *HK$'000*	2019 *HK$'000*
0-90 days	**7,000**	18,776
91-180 days	**25,168**	993
181-365 days	**485**	991
Over 365 days	**1,010**	–
	33,663	20,760

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits attributable to customers are reviewed regularly. Customers representing trade receivables that are neither past due nor impaired are customers that have no default of payment in the past and have good credit rating attributable under the credit review procedures used by the Group.

The Group has a policy for allowance of bad and doubtful debts which is based on the evaluation of collectability and ageing analysis of accounts and on management's judgement including the credit creditworthiness and the past collection history of each client.

The movement in impairment of trade receivables are as follow:

	2020	2019
	HK$'000	*HK$'000*
At 1 April	**34**	3
Impairment loss recognised	**388**	31
At 31 March	**422**	34

14. LOANS RECEIVABLES

	2020	2019
	HK$'000	*HK$'000*
Unsecured fixed-rate loans receivables	**28,198**	27,620
Less: impairment	**(914)**	(681)
Total	**27,284**	26,939

The exposure of the Group's fixed-rate loans receivables to interest rate risks and their contractual maturity dates are as follows:

	2020	2019
	HK$'000	*HK$'000*
Within one year	**27,284**	26,939

The Group seeks to apply strict control over its outstanding loans receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

The loans receivable had contractual maturity dates between six months to a year as at 31 March 2020 (2019: six months to a year). The interest rate for the fixed-rate loans receivable was ranged from 6% to 12% (2019: 6% to 12%) per annum.

The movement in impairment of loan receivables are as follow:

	2020	2019
	HK$'000	*HK$'000*
At 1 April	**681**	7,262
Impairment loss recognised	**233**	85
Written back as disposal of subsidiaries	**–**	(6,666)
At 31 March	**914**	681

15. TRADE PAYABLES

The following is an ageing analysis of trade payable presented based on the invoice date at the end of the reporting period.

	2020	2019
	HK$'000	*HK$'000*
0-90 days	**–**	2,475
91-180 days	**–**	214
Over 180 days	**–**	82
	–	2,771

The credit period ranged from 90 days to 120 days.

16. EVENT AFTER THE REPORTING PERIOD

Save as disclosed elsewhere under section headed "Management Discussion and Analysis", there is no material subsequent event undertaken by the Company or by Group after 31 March 2020 and up to the date of this announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the year ended 31 March 2020, the Group's operations recorded a revenue of HK$66.2 million as compared to HK$96.7 million in the previous year, representing an decrease of 31.5%. The decrease was mainly attributable to the outbreak of Coronavirus Disease 2019 ("**COVID-19**") epidemic in January 2020 in the PRC and the contagion of COVID-19 has spread worldwide. The money lending business also contributed HK$2 million (2019: HK$2.6 million) to the Group's revenue during the year. The Group's gross profit in relation to its operations slightly decreased from HK$6.1 million in last year to HK$6 million in the current year under review.

The Group recorded other income of HK$2.8 million (2019: HK$3.4 million). It was mainly attributable to the imputed interest of HK$2.6 million arising from loans to investee.

Other gains and losses recorded during the year was a net loss of HK$2.3 million (2019: net gain of HK$6.7 million. The decrease was resulting from the increase from loss on disposal of financial assets at FVTPL of approximately HK$3.8 million as compared to a loss of approximately HK$0.2 million in the previous year and there was an absence of gain on disposal a of subsidiary of approximately HK$5.9 million.

Administrative expenses and other expenses (the "**Operating Expenses**") incurred for the year ended 31 March 2020 amounted to HK$16.4 million (2019: HK$19.5 million). After excluding the major non-cash items in relation to amortization of intangible assets, depreciation charges and the share-based payments, operating Expenses for this year would have amounted to HK$12.2 million as compared to HK$14.1 million in the previous year on the same basis, representing a decrease of 13.5% which was mainly attributable to the effective cost control during the year.

The Group incurred finance costs for the year ended 31 March 2020 amounted to HK$0.8 million (2019: HK$1.3 million) which was mainly composed of interest payable on borrowings, interest on lease liabilities and the imputed interest on bonds issued by the Group.

The Group recorded a loss attributable to owners of the Company of approximately HK$19.9 million for the year as compared the amount in 2019 of approximately HK$16.7 million, representing a increase of HK$3.2 million. Such increase was mainly due to the impairment of goodwill and the loss on disposal of financial assets at FVTPL.

BUSINESS REVIEW

During the year ended 31 March 2020, the Group's business was organized in four segments namely (i) Natural Resources and Commodities; (ii) Branding, Trendy Fashion Merchandise and Other Consumers Products; (iii) Money Lending; and (iv) Securities Investment.

Natural Resources and Commodities

Coal Trading Business and Other Natural Resources and Commodities Trading Business

The Group's equity interest in the coal trading business was confirmed to dilute from 33.3% to 0.7% as a result of capital injection by other shareholders to Goldenbase in 2018. The Group continued to switch more resources to the sales of consumer products and trendy fashion merchandises segment which has a great potential on its business performance. Nevertheless, the COVID-19 has affected this business in the first three months in 2020. During the year ended 31 March 2020, the Group continued engaging in the trading of crude palm oil via its wholly-owned subsidiary and recorded a turnover of HK$28.2 million (2019: HK$57.3 million). The Group will continue monitoring the business environment and conditions in carrying out the related trades.

Branding, Trendy Fashion Merchandise and Others Consumer Products

The Group's sale of consumer products and trendy fashion merchandises was carried out by its wholly-owned subsidiary, MD Inc. Limited ("**MD**" together with its subsidiaries, the "**MD Group**"). The MD Group has been experienced in a turning point although the financial figures had not reflected the true picture of MD which was mainly due to the outbreak of COVID-19 which results in a poor performance in the beginning of 2020. The MD recorded a turnover of HK$35.9 million (2019: HK$36.8 million) for the year ended 31 March 2020. In 2018, MD had timely switched its resources to other profitable segment including but not limited to the sales of trendy fashion merchandises and other consumer products of favorable brands and own branded products. MD's technical and research and development skills was recognised by the customers which built up the confidence on the differentiated own branded products by adding technical function on the existing products. Responses from potential buyers was encouraged particularly on the functionality products with different technical functions. Besides, MD had approached and cross designed with several favorable brands, even Nintendo and FILA. In order to increase the brand appearance, the MD will continue to develop and register new intellectual properties and has been actively participated in different marketing activities such as trade fairs and exhibitions in particular those organized in the major cities of the People's Republic of China (the "**PRC**") such as the 20th Shanghai International Children Baby Maternity Industry Expo. At the Expo, MD displayed a variety of merchandises which were designed and produced by MD. MD had also develop different somatosensory games and made use of this hot technology to promote the brand name in the coming years and linked up with other merchandises to be produced by MD. MD started to increase the sale channels, provide a flexible credit terms to customers and add a new profit sharing sales model to attract the dealers and maximise the profit.

MD Group has gradually resumed operations since March 2020 while the Directors consider that the impact of COVID-19 on the Group's operations and future prospects may affected by the duration of the epidemic, the implementation of regulatory policies and relevant protective measures which might affect the business environment that the Group is operating at. However, the Group are optimistic with this business, confidence was built by the satisfaction with our differentiated products by the potential buyers. The Group believed that once the COVID-19 was ended, MD's business will resume as normal and looking forward to the expansion of the business.

The Group will stay alert on the development and situation of the COVID-19, continue to assess its impacts on the financial position and operating results of the Group and take necessary actions to mitigate its business risk. Up to the date of this announcement, the aforesaid assessment is still in progress.

The Group intended to expand this business and has been trying to seek for the funding support including but not limited to debt financing or fund raising. The Group believed that the technical functions affiliate with well marketing strategies would add value to its merchandises and would facilitate an explosive growth of MD's business.

Money Lending

The Group's money lending business recorded a revenue of HK$2 million (2019: HK$2.6 million), which comprised interest income generated. According to the management's observation and taking into account the positive results of the money lending business, the Group believes that there is a constant demand in the market allowing a further growth of this business segment and is confident that it will continue to contribute positively to the Group's overall results. Nonetheless, as the business is capital-driven in nature, the Group will constantly assess the level of resources to be allocated to this business segment with reference to the availability of capital. In the meantime, it will closely monitor the market conditions and operating environment in order to strike a balance between the returns and the associated business risks.

Securities Investment

During the year, the Group's securities investment segment continued to focus on listed securities in Hong Kong. It recorded a net loss in securities investments of HK$2.6 million for the year ended 31 March 2020 (2019: net loss of HK$3.7 million) which was composed of a loss on disposal of financial assets at FVTPL of HK$3.8 million (2019: loss of HK$0.2 million) and a gain from changes in fair value on financial assets at FVTPL of HK$1.2 million (2019: loss of HK$3.5 million). As at 31 March 2020, the Group held an investment portfolio with fair value of HK$2.7 million (31 March 2019: HK$8.5 million). There was no dividend income generated for the year ended 31 March 2020 (2019: HK$36,000).

The local securities market remanded volatile daring the year. In view of this, the Group will hold a diversified portfolio across different segment of the market with an effort to minimize the associated risk.

Financial Position

Net assets value of the Group as at 31 March 2020 amounted to HK$93.8 million compared to HK$114.8 million as at 31 March 2019. The decrease was mainly due to the impairment of goodwill recognised during the year and the decrease in the financial assets at FVTPL as all the convertible bond held by the Group was matured during the year.

The total non-current assets of the Group decreased from HK$51.1 million as at 31 March 2019 to HK$41.9 million as at 31 March 2020. The decrease was mainly due to the decrease in deposits and other receivables and the impairment of goodwill recognised during the year.

Net current assets as at 31 March 2020 amounted to HK$61.9 million as compared to HK$72.5 million in the previous year. The decrease was mainly attributable to the increase in accrual and others payables.

Liquidity and Financial Resources

The Group's gearing ratio as at 31 March 2020 was approximately 11.5% (2019: 9%). The Group defines gearing ratio as ratio of net debt over equity plus net debt in which net debt represents total of promissory note, bonds, bank overdraft and bank and other borrowings. The current ratio (ratio of current assets to current liabilities) of the Group as at 31 March 2020 was approximately 3.4 (2019: 5.1) which has increased as compared to the previous year. The Group generally financed its daily operations from cash flows generated internally.

As at 31 March 2020, No banking facilities available to the Group (2019: Nil).

Update on Refund of Deposit

On 1 August 2014, the Company, as purchaser, entered into a memorandum of understanding ("**MOU**") with Southernpec Storage and Logistics Holding Limited (the "**Vendor**"), as vendor, for the proposed acquisition of Southernpec Singapore Storage and Logistics Limited. Pursuant to a supplemental memorandum of understanding, the Company paid a refundable deposit of HK$10 million (the "**Deposit**"). The MOU lapsed on 31 July 2015 and the Deposit shall be returned by the Vendor to the Company in full within three business days. However, the Vendor was failed to return the Deposit within the said period and the parties were unable to reach a consensus on the repayment schedule. Following a series of negotiations and actions (including legal proceedings against the Vendor for the recovery of the Deposit) taken against the Vendor on the delay in repayment of the Deposit, the Company has reached a settlement agreement (the "**Settlement Agreement**") with the Vendor. Pursuant to the Settlement Agreement, in consideration of the Company's forbearance to sue and to proceed with the legal proceedings and to withdraw/discontinue such legal proceedings against the Vendor, the Vendor irrevocably covenants with the Company that the Vendor shall pay to the Company a sum of HK$5,000,000 (the "**Settlement Sum**") by instalments over a period of 18 months from the date of the Settlement Agreement as the full and final settlement of the Deposit (the "**Settlement**"). In view of the failure of receiving the Settlement Sum in accordance to the payment schedule, an amount of HK$9.5 million (being the difference of the Deposit and the amount paid by the Vendor to the Company up to the date of this announcement) was impaired and charged to the profit and loss for the year ended 31 March 2016. At the date of the announcement, the Settlement Sum of HK$1.4 million for payment was outstanding. The Company will continue to monitor the payments from the Vendor and update its shareholders where appropriate.

Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies

During the year, the Group did not have other material acquisitions and disposals of subsidiaries and affiliated companies.

Significant Investments

As at 31 March 2020, the Group's held-for-trading investments amounted to HK$2.7 million represented were equity investments listed in Hong Kong. Details of the significant investments are as follows:

Company Name	Fair value change	Fair value at 31 March 2020	Approximate percentage of held-for-trading investment	Approximate percentage to the Group's total asset as at 31 March 2020
	HK$'000	*HK$'000*		
Hong Wei (Asia) Holdings Group Limited	(76)	802	30.1	0.6
Echo International Holdings Group Limited	(378)	621	23.3	0.5
EJE (Hong Kong) Holdings Limited	(750)	890	33.4	0.7
Other securities with individual fair value less than 5% of the aggregate held-for-trading investment as at 31 March 2020	2,390	355	13.2	0.3
	1,186	2,668	100.0	2.1

Financial Management and Policy and Foreign Currency Risk

The Group's finance division manages the financial risks of the Group. One of the key objectives of the Group's treasury policy is to manage its exposure to fluctuations in foreign currency exchange rates. The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the respective Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group has assessed its foreign exchange rate risk exposure and has not entered into any foreign exchange hedging arrangement during the year and as at year end date. In any event, the Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Treasury Policies and Credit Risk Management

The Group consistently employed a prudent treasury policy during its development and generally financed its operations and business development with internally generated resources and equity and/or debt financing activities. The Group also adopted flexible and prudent fiscal policies to effectively manage the Group's assets and liabilities and strengthen the Group's financial position.

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.

Contingent Liabilities and Pledge of Assets

As at 31 March 2020, the Group had neither significant charges on its assets nor any significant contingent liabilities (2019: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2020, the Group had 50 (2019: 57) employees, including the Directors. Total staff cost for the year ended 31 March 2020 amounted to approximately HK$3.1 million (2019: HK$5.5 million). Staff remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. It comprised of monthly salaries, provident fund contributions, other allowances and discretionary share options issued based on their contribution to the Group. The Group also participates in a retirement benefit scheme for its staff in the PRC and a defined statutory mandatory provident fund scheme to its employees in Hong Kong. The Group has adopted a share option scheme of which the Board may, at its discretion, grant options to eligible participants of the share option scheme. As at the date of this announcement, a total of 37,663,050 share options remain unexercised.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors as the code of conduct regarding securities transactions by the Directors (the "**Model Code**"). Having made specific enquiries to the Directors, all the Directors confirmed that they complied with the required standards as set out in the Model Code throughout the year ended 31 March 2020.

OUTLOOK

The Group started to restructure its strategic business position and focus its resources in pursuing development opportunities of other existing businesses of the Group. On the other hand, the Group will continue to focus on the sales of consumer products and trendy fashion merchandises. Looking ahead, the Group will continue to develop its existing business either via organic growth or by acquisition of related businesses if appropriate. The Board will also utilize its business connections to identify other investment opportunities in order to diversify its existing business for enhancing its shareholder's return. Meanwhile, the Group will continue its existing businesses with on-going monitoring on their performances so that resources can be allocated to appropriate business segments with the view to maximize the returns to its shareholders.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management of the Company the financial statements of the Group for the year ended 31 March 2020 and discussed with the management of the Company on auditing, internal control, financial reporting matters as well as risk management function.

EVENTS AFTER THE REPORTING PERIOD

On 8 May 2020, the Capital Reduction and Sub-division had become effective. Details please refer to the announcement dated 2 January 2020, 21 April 2020, 6 May 2020, 8 May 2020 and the circular the Company dated 8 January 2020

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

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the year.

MATERIAL ACQUISITION OR DISPOSAL

There was no material acquisitions or disposal of subsidiaries and affiliated companies by the Group for the year ended 31 March 2020.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the year ended 31 March 2020, the Company complied with all applicable code provisions under the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the Listing Rules except for the following deviations.

Under code provision A.1.3 of the CG Code, notice of at least 14 days should be given of a regular board meeting to all Directors to give all Directors an opportunity to attend. During the Reporting Year, certain Board meetings were convened with less than 14 days' notice to facilitate the Directors' timely reaction and expeditious decision making process in respect of investment opportunity and internal affairs of the Group. All Board meetings, nevertheless, were duly convened and held in the way prescribed by the Articles of Association of the Company. The Board will use reasonable endeavour to meet the requirement of code provision A.1.3 of the CG Code in future. Adequate and appropriate information are circulated normally three days in advance of Board meetings to the Directors.

SCOPE OF WORK OF ELITE PARTNERS CPA LIMITED

The figures in respect of the consolidated statement of financial position, consolidated income statement and consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2020 of the Group as set out in the preliminary announcement have been agreed by the Company's auditor, Elite Partners CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Elite Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Elite Partners CPA Limited on the preliminary announcement.

REVIEW OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group for the year ended 31 March 2020 and the accounting principles and practices adopted by the Group during the year under review and matters of auditing, internal controls and financial reporting have been discussed with the management and reviewed by the Audit Committee of the Company.

DIVIDENDS

The Board did not declare an interim dividend and did not recommend the payment of the final dividend in respect of the year ended 31 March 2020 (2019: Nil).

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange at www.hkex.com.hk and the website of the Company at www.wealthglory.com. The 2020 annual report containing all information required by the Listing Rules will be published on the above websites and dispatched to the shareholders of the Company by the end of June 2020.

By Order of the Board
Wealth Glory Holdings Limited
Tse Sing Yu
Executive Director

Hong Kong, 24 June 2020

As at the date of this announcement, the Board comprises five Directors, including two executive Directors, namely, Ms. Lin Su and Mr. Tse Sing Yu and three independent non-executive Directors, namely, Mr. Tam Chak Chi, Mr. Liu Yongsheng and Mr. Chan Ka Hung.