DINGYI GROUP INVESTMENT LIMITED
鼎億集團投資有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 508)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2012

RESULTS

The board (the "Board") of directors (the "Directors") of Dingyi Group Investment Limited (the "Company") hereby announces the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 March 2012, together with the comparative figures in 2011, summarised as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2012

	Note	**2012** ***HK$'000***	2011 *HK$'000*
Continuing operations			
Revenue	*4*	**70,983**	65,237
Cost of sales		**(17,191)**	(15,348)
Gross profit		**53,792**	49,889
Realised gain on investments at fair value through profit or loss, net		**1,718**	–
Other income, net	*5*	**582**	1,231
Other losses, net	*6*	**(1,790)**	(1,140)
Selling and distribution costs		**(53,697)**	(40,126)
Administrative expenses		**(18,136)**	(9,743)
Impairment loss on goodwill		**(7,551)**	–
Operating (loss)/profit		**(25,082)**	111
Finance income		**207**	363
Finance costs		**(1)**	(2)
Finance income, net	*7*	**206**	361
(Loss)/profit before taxation	*8*	**(24,876)**	472
Income tax (expenses)/credit	*9*	**(982)**	417
(Loss)/profit for the year from continuing operations		**(25,858)**	889

	Note	2012 HK$'000	2011 HK$'000
Discontinued operations			
Profit for the year from discontinued operations	*10*	**785**	145,951
(Loss)/profit for the year		**(25,073)**	146,840
Attributable to:			
Equity holders of the Company		**(24,325)**	147,534
Non-controlling interests		**(748)**	(694)
		(25,073)	146,840
Dividends	*11*	**108,376**	323,013
(Loss)/earnings per share	*12*		
From continuing operations			
– Basic and diluted (HK cents per share)		**(0.88)**	0.02
From discontinued operations			
– Basic and diluted (HK cents per share)		**(0.15)**	6.27
		(1.03)	6.29

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2012

	2012 *HK$'000*	2011 *HK$'000*
(Loss)/profit for the year	**(25,073)**	146,840
Other comprehensive (loss)/income for the year, net of tax		
Exchange difference on translation of operations of overseas subsidiaries	**(1,495)**	687
Exchange difference released upon disposal of operations of overseas subsidiaries	**(171)**	(3,722)
Gain on share exchange	**–**	2,437
Other comprehensive loss for the year, net of tax	**(1,666)**	(598)
Total comprehensive (loss)/income for the year	**(26,739)**	146,242
Attributable to:		
Equity holders of the Company	**(25,051)**	146,734
Non-controlling interests	**(1,688)**	(492)
Total comprehensive (loss)/income for the year	**(26,739)**	146,242

Note:

Items shown within other comprehensive (loss)/income for the year have no tax effect.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2012

	Note	2012 HK$'000	2011 HK$'000
Non-current assets			
Property, plant and equipment		**7,619**	85,275
Intangible assets		**26**	95,622
Interests in associates		**–**	57,056
Available-for-sale investment		**–**	5,405
Non-current deposits	*13*	**8,872**	15,821
Deferred income tax assets		**–**	4,150
		16,517	263,329
Current assets			
Inventories		**1,306**	7,738
Debtors, deposits and prepayments	*13*	**20,436**	26,301
Amounts due from associates		**–**	556
Investments at fair value through profit or loss		**43,410**	26,482
Current income tax recoverable		**60**	–
Cash and bank balances		**103,869**	85,473
		169,081	146,550
Current liabilities			
Creditors, deposits and accruals	*14*	**8,937**	61,162
Amount due to former ultimate holding company		**–**	351
Amounts due to non-controlling interests		**24,893**	4,699
Deferred income		**–**	341
Current income tax liabilities		**160**	5,857
		33,990	72,410
Net current assets		**135,091**	74,140
Total assets less current liabilities		**151,608**	337,469
Capital and reserves			
Share capital	*15*	**23,751**	118,755
Reserves		**135,273**	164,092
Shareholders' funds		**159,024**	282,847
Non-controlling interests		**(7,420)**	39,821
Total equity		**151,604**	322,668
Non-current liabilities			
Deferred income tax liabilities		**4**	5,876
Dividend payable to non-controlling interests		**–**	8,925
		4	14,801
Total equity and non-current liabilities		**151,608**	337,469

Notes

1 BASIS OF PREPARATION

These consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

2 CHANGES IN ACCOUNTING POLICIES

(i) Revised standard and amendment to existing standard effective in 2012

In 2012, the Group has adopted the following revised standard and amendment to an existing standard which are mandatory for the first time for the Group's financial year beginning 1 April 2011 and are relevant to the Group's operations. The impact on the Group's accounting policies upon adoption is set out below:

HKAS 24 (Revised), 'Related Party Disclosures'. The revised standard introduces an exemption from all of the disclosure requirements of HKAS 24 for transactions among government related entities and the government. It also clarifies and simplifies the definition of a related party. The revised standard has no impact on the consolidated financial statements.

HKFRS 7 (Amendment), 'Financial Instruments: Disclosure – Transfers of Financial Assets'. The amendment promotes transparency in the reporting of transfer transactions and improves users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial assets. The amendment has no impact on the consolidated financial statements.

(ii) ***New standards and amendments to existing standards which have been issued but are not effective for the financial year beginning 1 April 2011 and have not been early adopted***

The following new standards and amendments to existing standards relevant to the Group have been issued, but are not effective for the financial year beginning 1 April 2011 and the Group has not early adopted them:

HKAS 1 (Amendment)	'Presentation of Financial Statements' (effective for annual period starting from 1 July 2012). The Group will adopt the amendment from 1 April 2013.
HKAS 19 (Amendment)	'Employee Benefits' (effective for annual period starting from 1 April 2013). The Group will adopt the amendment from 1 April 2013.
HKAS 28 (2011)	'Investments in Associates and Joint Ventures' (effective for annual period starting from 1 April 2012). The Group will adopt the revised standard from 1 April 2012.
HKFRS 7 (Amendment)	'Financial Instruments: Disclosure – Offsetting Financial Assets and Financial Liabilities' (effective for annual period starting from 1 April 2013). The Group will adopt the amendment from 1 April 2013.
HKFRS 9	'Financial Instruments' (effective for annual period starting from 1 April 2015). The Group will adopt the new standard from 1 April 2015.
HKFRS 7 and HKFRS 9 (Amendments)	'Mandatory Effective Date and Transition Disclosures' (effective for annual period starting from 1 April 2015). The Group will adopt the amendments from 1 April 2015.
HKFRS 10	'Consolidated Financial Statements' (effective for annual period starting from 1 April 2013). The Group will adopt the new standard from 1 April 2013.
HKFRS 12	'Disclosure of Interests in Other Entities' (effective for annual period starting from 1 April 2013). The Group will adopt the new standard from 1 April 2013.
HKFRS 13	'Fair Value Measurements' (effective for annual period starting from 1 April 2013). The Group will adopt the new standard from 1 April 2013.
HKAS 32 (Amendment)	'Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities'(effective for annual period starting from 1 April 2014). The Group will adopt the amendment from 1 April 2014.

There are no other HKFRSs or HK(IFRIC) interpretations that are not yet effective that would be expected to have a material impact on the Group.

3 REPORTABLE SEGMENTS

Reportable segments are identified and reported in a manner consistent with internal reports that are regularly reviewed by the chief operating decision-marker (the Executive Directors collectively) in order to assess performance and allocate resources. The chief operating decision-maker accesses the performance of the reportable segments based on the revenue and profit/loss presented.

The Group has two reportable segments (i) food and beverages including restaurants and bars business and (ii) securities trading business. Segment revenue is measured in a manner consistent with that in the consolidated income statement, except that it also includes the Group's share of revenue of associates on a proportionate consolidated basis.

Reportable segment information is presented below.

Year ended 31 March 2012

	Continuing operations			Discontinued operations	
	Food and beverages – restaurants and bars business *HK$'000*	**Securities trading business** *HK$'000*	**Sub-total** *HK$'000*	**Food and beverages – restaurants and bars business** *HK$'000*	**Total** *HK$'000*
Revenue					
Group revenue	**70,983**	**–**	**70,983**	**252,292**	**323,275**
Share of revenue from external customers derived by associates	**–**	**–**	**–**	**65,223**	**65,223**
	70,983	**–**	**70,983**	**317,515**	**388,498**
Realised gain on investments at fair value through profit or loss, net	**–**	**1,718**	**1,718**	**–**	**1,718**
Segment (loss)/profit	**(11,420)**	**409**	**(11,011)**	**10,572**	**(439)**
Included in segment (loss)/profit are:					
Share of results of associates	**–**	**–**	**–**	**(2,744)**	**(2,744)**
Depreciation of property, plant and equipment	**(5,151)**	**–**	**(5,151)**	**(8,585)**	**(13,736)**
Impairment loss on plant and equipment	**(518)**	**–**	**(518)**	**–**	**(518)**
Impairment loss on goodwill	**(7,551)**	**–**	**(7,551)**	**–**	**(7,551)**
Amortisation of trademarks	**(314)**	**–**	**(314)**	**(793)**	**(1,107)**
Amortisation of favourable leases	**–**	**–**	**–**	**(1,482)**	**(1,482)**
Gain/(loss) on investments at fair value through profit or loss, net					
– Realised	**–**	**–**	**–**	**1**	**1**
– Unrealised	**–**	**(1,271)**	**(1,271)**	**5,102**	**3,831**
Segment assets	**17,283**	**35,463**	**52,746**	**–**	**52,746**
Included in reportable segment assets:					
Additions to non-current assets (other than financial instruments and deferred income tax assets)	**1,218**	**–**	**1,218**	**19,293**	**20,511**
Segment liabilities	**32,452**	**160**	**32,612**	**–**	**32,612**

Year ended 31 March 2011

	Continuing operations	Discontinued operations				
	Food and beverages– restaurants and bars business *HK$'000*	Food and beverages– restaurants and bars business *HK$'000*	Food and beverages– branded coffee shops business *HK$'000*	Natural resources *HK$'000*	Sub-total *HK$'000*	Total *HK$'000*
Revenue						
Group revenue	65,237	251,029	76,000	–	327,029	392,266
Share of revenue from external customers derived by associates	–	59,575	–	–	59,575	59,575
	65,237	310,604	76,000	–	386,604	451,841
Segment profit/(loss)	9,236	(49,678)	1,026	(21,707)	(70,359)	(61,123)
Included in segment profit/(loss) are:						
Share of results of associates	–	2,000	–	–	2,000	2,000
Depreciation of property, plant and equipment	(6,333)	(11,551)	(3,686)	–	(15,237)	(21,570)
Impairment loss on plant and equipment	(1,231)	(729)	–	–	(729)	(1,960)
Impairment loss on goodwill	–	(30,218)	–	(5,117)	(35,335)	(35,335)
Amortisation of trademarks	(267)	(940)	(1,800)	–	(2,740)	(3,007)
Amortisation of favourable leases	–	(741)	–	–	(741)	(741)
Unrealised loss on investment at fair value through profit or loss	–	(9,954)	–	–	(9,954)	(9,954)
Segment assets	36,995	338,402	–	–	338,402	375,397
Included in reportable segment assets:						
Interests in associates	–	57,056	–	–	57,056	57,056
Amounts due from associates	–	556	–	–	556	556
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,014	103,762	2,250	–	106,012	107,026
Segment liabilities	12,517	67,869	–	–	67,869	80,386

Reconciliation of reportable segment (loss)/profit to (loss)/profit before taxation is provided as follows:

	Continuing operations		Discontinued operations		Total	
	2012	2011	**2012**	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Reportable segment (loss)/profit	**(11,011)**	9,236	**10,572**	(70,359)	**(439)**	(61,123)
Finance income	**207**	363	**517**	499	**724**	862
Finance costs	**(1)**	(2)	**(169)**	(14)	**(170)**	(16)
Unallocated corporate income	**105**	518	**5,208**	–	**5,313**	518
Unallocated corporate expenses	**(14,176)**	(9,643)	**(4,380)**	(1,441)	**(18,556)**	(11,084)
(Loss)/gain on disposal of interests in subsidiaries	**–**	–	**(7,638)**	219,256	**(7,638)**	219,256
(Loss)/profit before taxation	**(24,876)**	472	**4,110**	147,941	**(20,766)**	148,413

Reportable segment assets and liabilities are reconciled to total assets and liabilities as follows:

	2012	2011
	HK$'000	*HK$'000*
Reportable segment assets	**52,746**	375,397
Cash and cash equivalents	**89,805**	30,000
Deferred income tax assets	**–**	4,150
Investment at fair value through profit or loss	**24,962**	–
Loans receivable	**10,167**	–
Other unallocated assets	**7,918**	332
Total assets	**185,598**	409,879

	2012	2011
	HK$'000	*HK$'000*
Reportable segment liabilities	**32,612**	80,386
Deferred income tax liabilities	**4**	5,876
Other unallocated liabilities	**1,378**	949
Total liabilities	**33,994**	87,211

Geographical information

The Group's operation in food and beverages business is carried out in Hong Kong, Australia and Macau. The securities trading business is carried out in Hong Kong.

The associates' operations in food and beverages business are carried out in Hong Kong, Singapore and Mainland China.

Segment revenues by geographical market (including the Group's share of revenue of associates) are shown in below:

	Continuing operations			Discontinued operations			Total		
Year ended 31 March 2012	**Company and subsidiaries** *HK$'000*	**Associates** *HK$'000*	**Total** *HK$'000*	**Subsidiaries** *HK$'000*	**Associates** *HK$'000*	**Total** *HK$'000*	**Company and subsidiaries** *HK$'000*	**Associates** *HK$'000*	**Total** *HK$'000*
Hong Kong	**70,983**	**–**	**70,983**	**151,962**	**61,967**	**213,929**	**222,945**	**61,967**	**284,912**
Australia	**–**	**–**	**–**	**62,592**	**–**	**62,592**	**62,592**	**–**	**62,592**
Macau	**–**	**–**	**–**	**37,738**	**–**	**37,738**	**37,738**	**–**	**37,738**
Singapore	**–**	**–**	**–**	**–**	**1,901**	**1,901**	**–**	**1,901**	**1,901**
Mainland China	**–**	**–**	**–**	**–**	**1,355**	**1,355**	**–**	**1,355**	**1,355**
	70,983	**–**	**70,983**	**252,292**	**65,223**	**317,515**	**323,275**	**65,223**	**388,498**

	Continuing operations			Discontinued operations			Total		
Year ended 31 March 2011	Company and subsidiaries *HK$'000*	Associates *HK$'000*	Total *HK$'000*	Subsidiaries *HK$'000*	Associates *HK$'000*	Total *HK$'000*	Company and subsidiaries *HK$'000*	Associates *HK$'000*	Total *HK$'000*
Hong Kong	65,237	–	65,237	276,738	57,385	334,123	341,975	57,385	399,360
Australia	–	–	–	31,257	–	31,257	31,257	–	31,257
Macau	–	–	–	15,285	–	15,285	15,285	–	15,285
Singapore	–	–	–	3,365	1,779	5,144	3,365	1,779	5,144
Mainland China	–	–	–	384	411	795	384	411	795
	65,237	–	65,237	327,029	59,575	386,604	392,266	59,575	451,841

The Group had no inter-segment sales for the years ended 31 March 2012 and 2011.

No customer accounted for 10% or more of the total revenue for the years ended 31 March 2012 and 2011.

The following is an analysis of the Group's carrying amounts of non-current assets (excluding financial instruments and deferred income tax assets) by geographical location:

	2012	2011
	HK$'000	*HK$'000*
Hong Kong	**16,517**	137,650
Macau	**–**	29,047
Australia	**–**	14,194
Mainland China	**–**	6
	16,517	180,897

4 REVENUE

	Continuing operations		**Discontinued operations**		**Total**	
	2012	2011	**2012**	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Revenue represents amounts received and receivable from:						
Sales of food and beverages	**69,589**	60,466	**235,278**	303,093	**304,867**	363,559
Sales of coffee machines	**–**	–	**–**	1,233	**–**	1,233
Service income	**1,394**	4,771	**16,587**	21,317	**17,981**	26,088
Franchise income	**–**	–	**427**	1,166	**427**	1,166
Leasing of coffee machines	**–**	–	**–**	215	**–**	215
Interest income from investments at fair value through profit or loss	**–**	–	**–**	5	**–**	5
	70,983	65,237	**252,292**	327,029	**323,275**	392,266

5 OTHER INCOME, NET

	Continuing operations		Discontinued operations		Total	
	2012	2011	**2012**	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Gain on investments at fair value through profit or loss, net						
– Realised	**–**	–	**1**	–	**1**	–
Management fee income from an associate	**–**	–	**626**	808	**626**	808
Dividend income from an associate	**–**	–	**628**	141	**628**	141
Sponsorship income from suppliers	**248**	10	**–**	1,283	**248**	1,293
Others	**334**	1,221	**960**	2,644	**1,294**	3,865
	582	1,231	**2,215**	4,876	**2,797**	6,107

6 OTHER (LOSSES)/GAINS, NET

	Continuing operations		Discontinued operations		Total	
	2012	2011	**2012**	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
(Loss)/gain on investments at fair value through profit or loss, net						
– Unrealised	**(1,271)**	–	**5,102**	(9,954)	**3,831**	(9,954)
Impairment loss on available-for-sale investment	**–**	–	**(2,645)**	–	**(2,645)**	–
Impairment loss on plant and equipment	**(518)**	(1,231)	**–**	(729)	**(518)**	(1,960)
Exchange (losses)/gains, net	**(1)**	91	**(148)**	101	**(149)**	192
	(1,790)	(1,140)	**2,309**	(10,582)	**519**	(11,722)

7 FINANCE INCOME, NET

	Continuing operations		Discontinued operations		Total	
	2012	2011	**2012**	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Interest income from bank deposits	**40**	363	**517**	499	**557**	862
Interest income from loans receivable	**167**	–	**–**	–	**167**	–
Interest expenses on bank borrowings	**(1)**	(2)	**–**	(14)	**(1)**	(16)
Interest expenses on dividend payable to non-controlling interests	**–**	–	**(169)**	–	**(169)**	–
	206	361	**348**	485	**554**	846

8 (LOSS)/PROFIT BEFORE TAXATION

	Continuing operations		Discontinued operations		Total	
	2012	2011	**2012**	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
(Loss)/profit before taxation has been arrived at after charging/(crediting) the following:						
Auditors' remuneration	**2,449**	677	**481**	1,375	**2,930**	2,052
Depreciation of property, plant and equipment	**5,154**	6,333	**8,585**	15,237	**13,739**	21,570
Amortisation of trademarks	**314**	267	**793**	2,740	**1,107**	3,007
Amortisation of favourable leases	**–**	–	**1,482**	741	**1,482**	741
Net loss/(gain) on disposal of plant and equipment	**220**	–	**(1)**	235	**219**	235
Operating lease payments in respect of leasing of premises under						
– minimum lease payments	**12,459**	11,969	**34,490**	66,590	**46,949**	78,559
– contingent rent	**1,915**	1,901	**499**	2,481	**2,414**	4,382
Staff costs	**23,670**	22,146	**97,475**	115,341	**121,145**	137,487
Share option – value of consultancy services received	**5,558**	6,420	**–**	–	**5,558**	6,420
Management fees	**3,327**	800	**–**	–	**3,327**	800

9 INCOME TAX EXPENSES/(CREDIT)

	Continuing operations		Discontinued operations		Total	
	2012	2011	**2012**	2011	**2012**	2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Current income tax						
Hong Kong	**160**	242	**1,376**	2,558	**1,536**	2,800
Overseas	**–**	–	**1,574**	1,601	**1,574**	1,601
Over-provision in prior years	**–**	–	**–**	(282)	**–**	(282)
	160	242	**2,950**	3,877	**3,110**	4,119
Deferred income tax						
Origination and reversal of temporary differences	**822**	(659)	**375**	(1,887)	**1,197**	(2,546)
Income tax expenses/(credit)	**982**	(417)	**3,325**	1,990	**4,307**	1,573

Hong Kong profits tax is calculated at the rate of 16.5% (2011: 16.5%) on the estimated assessable profits after offsetting losses brought forward of each individual company.

Overseas taxation including Australia, Macau, Singapore and Mainland China taxation is calculated based on the rates applicable in the relevant jurisdiction on the estimated assessable profits.

10 DISCONTINUED OPERATIONS

The results of the discontinued operations included in the consolidated income statement are set out below.

	Note	**Sharp Rise Group *(Note a)* 2012 *HK$'000***	Sharp Rise Group *(Note a)* 2011 *HK$'000*	Pacific Coffee Companies and others *(Notes b & c)* 2011 *HK$'000*	Total 2011 *HK$'000*
Revenue	*4*	**252,292**	251,029	76,000	327,029
Cost of sales		**(59,340)**	(53,816)	(18,831)	(72,647)
Gross profit		**192,952**	197,213	57,169	254,382
Other income, net	*5*	**2,215**	4,838	38	4,876
Other gains/(losses), net	*6*	**2,309**	(7,394)	(3,188)	(10,582)
Selling and distribution costs		**(181,134)**	(209,616)	(71,132)	(280,748)
Administrative expenses		**(2,198)**	(4,720)	(1,673)	(6,393)
Impairment loss on goodwill		**–**	(35,335)	–	(35,335)
(Loss)/gain on disposal of interests in subsidiaries		**(7,638)**	1,895	217,361	219,256
Operating profit/(loss)		**6,506**	(53,119)	198,575	145,456
Share of results of associates		**(2,744)**	2,000	–	2,000
Finance income, net	*7*	**348**	483	2	485
Profit/(loss) before taxation	*8*	**4,110**	(50,636)	198,577	147,941
Income tax (expenses)/credit	*9*	**(3,325)**	(2,813)	823	(1,990)
Profit/(loss) for the year from discontinued operations		**785**	(53,449)	199,400	145,951

Notes:

(a) On 17 June 2011, the Group entered into an agreement to dispose of its entire equity interests in Sharp Rise Limited and its subsidiaries (together the "Sharp Rise Group") to Chevalier International Holdings Limited ("CIHL"). The disposal was completed on 28 September 2011. The operations of the restaurants and bars business carried out by Sharp Rise Group up to the date of disposal are presented in the consolidated financial statements of the Group as discontinued operations for the year ended 31 March 2012. After the disposal of Sharp Rise Group, the continuing operations represent the operations of 9 restaurants and bars and 3 kiosks.

(b) On 29 June 2010, the Group entered into an agreement to dispose of its 80% equity interests in Pacific Coffee (Holdings) Limited and its subsidiaries (together the "Pacific Coffee Companies") to China Resources Enterprise, Limited. The disposal of 80% of equity interest in the Pacific Coffee Companies was completed on 7 July 2010. The operations of the branded coffee shops business carried out by the Pacific Coffee Companies up to the date of disposal are presented in the consolidated financial statements of the Group as discontinued operations for the year ended 31 March 2011.

(c) In view of the then market environment, the Group had no plan to explore further opportunities in the natural resources industry and decided to discontinue its activities in this sector during the year ended 31 March 2011. The operations of natural resources business incurred other losses of HK$5,143,000, selling and distribution costs of HK$15,058,000 and administrative expenses of HK$1,506,000 which are presented in the consolidated financial statements of the Group as part of the discontinued operations for the year ended 31 March 2011.

11 DIVIDENDS

	2012	2011
	HK$'000	*HK$'000*
Special dividend of HK4.6 cents (2011: HK13.6 cents) per share, paid	**108,376**	323,013

The 2011/12 special dividend of HK4.6 cents per share, totalling HK$108,376,000, was approved at the Special General Meeting held on 19 September 2011 and paid on 30 September 2011.

No interim and final dividend has been proposed by the Directors for the year ended 31 March 2012.

12 (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company as set out below by the weighted average number of ordinary shares in issue during the year.

	2012	2011
	HK$'000	*HK$'000*
(Loss)/profit for the year from continuing operations	**(20,809)**	446
(Loss)/profit for the year from discontinued operations	**(3,516)**	147,088
	(24,325)	147,534
	Number of shares	Number of shares
	'000	*'000*
Weighted average number of ordinary shares in issue	**2,375,095**	2,346,237
Basic (loss)/earnings per share *(HK cents)*		
– Continuing operations	**(0.88)**	0.02
– Discontinued operations	**(0.15)**	6.27

(b) Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares granted under the Company's share option scheme. As the adjusted exercise price of the share options granted by the Company was higher than the relevant average market price of the Company's shares for the year ended 31 March 2011, those outstanding share options granted, which amounted to 150,000,000 shares as at 31 March 2011, had no dilutive effect on earnings per share for the year ended 31 March 2011.

During the year ended 31 March 2012, share options which were outstanding before they were terminated had no dilutive effect on loss per share for the year ended 31 March 2012.

13 DEBTORS, DEPOSITS AND PREPAYMENTS

	2012	2011
	HK$'000	*HK$'000*
Trade debtors	**460**	10,629
Loans receivable	**10,167**	–
Other debtors, deposits and prepayments	**18,681**	31,493
	29,308	42,122
Analysed for reporting purposes:		
Non-current assets	**8,872**	15,821
Current assets	**20,436**	26,301
	29,308	42,122

The Group has established different credit policies for customers in each of its core businesses. The credit periods granted to customers range from 30 to 45 days except for sales of food and beverages at restaurants and bars, which are mainly on cash basis.

The ageing of trade debtors is as follows:

	2012	2011
	HK$'000	*HK$'000*
0 – 60 days	**460**	9,966
61 – 90 days	**–**	189
Over 90 days	**–**	474
	460	10,629

14 CREDITORS, DEPOSITS AND ACCRUALS

	2012	2011
	HK$'000	*HK$'000*
Trade creditors	**3,354**	15,942
Other creditors, deposits and accruals	**5,583**	45,220
	8,937	61,162

The ageing of trade creditors is as follows:

	2012	2011
	HK$'000	*HK$'000*
0 – 60 days	**3,354**	15,731
61 – 90 days	**–**	86
Over 90 days	**–**	125
	3,354	15,942

15 SHARE CAPITAL

	Number of shares *'000*	*HK$'000*
Authorised ordinary shares:		
At 1 April 2010, 31 March 2011 and 1 April 2011 of HK$0.05 per share	**3,500,000**	**175,000**
Reduction in nominal value *(Note ii)*	**–**	**(140,000)**
At 31 March 2012 of HK$0.01 per share	**3,500,000**	**35,000**
Issued and fully paid ordinary shares:		
At 1 April 2010	2,255,400	112,770
Issue of shares *(Note i)*	119,695	5,985
At 31 March 2011 and 1 April 2011 of HK$0.05 per share	**2,375,095**	**118,755**
Reduction in nominal value *(Note ii)*	**–**	**(95,004)**
At 31 March 2012 of HK$0.01 per share	**2,375,095**	**23,751**

Notes:

(i) During the year ended 31 March 2011, the Company issued 119,695,000 new shares to an independent third party on 28 June 2010. The proceeds of the issue of shares before expenses amounted to HK$63,439,000. The net proceeds of the issue of shares amounted to HK$61,234,000 after deducting the expenses of the issue.

(ii) During the year ended 31 March 2012, management implemented a capital reorganisation whereby the Company reduced the authorised and issued share capital through reduction in nominal value of the authorised and paid up capital to the extent of HK$0.04 per share, amounting to HK$140,000,000 and HK$95,004,000 respectively.

16 CONTINGENT LIABILITIES

As at 31 March 2012 and 2011, the Group had no contingent liabilities.

17 CAPITAL COMMITMENTS

As at 31 March 2012 and 2011, the Group had no capital commitments.

DIVIDEND

The Board does not recommend the payment of any final dividend for the year (2011: Nil). Except for the special dividend of HK4.6 cents per share paid on 30 September 2011, no interim dividend was paid during the year (2011: Nil). The total dividend for the year amounted to HK4.6 cents (2011: HK13.6 cents) per share.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The revenue from the Group's ongoing operations during the year under review amounted to HK$71 million, which was 9% or HK$6 million more than what was achieved during the previous year. In the absence of a substantial profit arising from the Group's disposal of an 80% interest in Pacific Coffee Companies to China Resources Enterprise, Limited in last year, there was a loss attributable to the Company's equity holders of HK$24 million, compared to a profit of HK$148 million in last year.

The basic loss per share on ongoing operations was HK0.88 cents, compared with earnings per share of HK0.02 cents last year, while the overall loss per share for the year was HK1.03 cents (2011: earnings per share of HK6.29 cents).

Food and Beverages

The continuing food and beverages segment achieved a revenue of HK$71 million during the year under review. This was 9% higher than the amount for last year. The segment reported a loss of HK$11 million for the year ended 31 March 2012 (2011: profit of HK$9 million). The restaurants and bars and kiosks of the Group are operated by 3 subsidiaries (the "World Pointer Group"). As of 31 March 2012, World Pointer Group operated 8 restaurants and bars and 3 kiosks including but not limited to Watermark, The Boathouse, Pier 7 Café & Bar and Café de Paris (Soho) in Hong Kong.

Café Deco Holdings Limited, a former subsidiary of the Group, provides certain back-office support services to the restaurants and bars and kiosks of the World Pointer Group such as maintaining books of account, maintenance of premises of restaurants and bars, and repairs and decorations up to 15 February 2014 under a management agreement.

Securities Trading Business

During the year, the Group also commenced a securities trading business. All the securities traded are shares listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). This segment recorded a realised gain on investments at fair value through profit or loss of HK$1.7 million and reported a profit of HK$0.4 million during the year under review.

Group Reorganisation

Capital Reorganisation

On 12 July 2011, the Board proposed to implement the capital reorganisation (the "Capital Reorganisation") which would involve (i) the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK$0.04 on each of the existing issued share from HK$0.05 to HK$0.01; (ii) the reduction of the nominal value of all the shares comprising the authorized share capital of the Company; (iii) the cancellation of a sum of HK$30 million standing to the credit of the Company's share premium account; and (iv) the transfer of the credit arising from the cancellation of the paid-up capital and the share premium of the Company to the contributed surplus account of the Company. The Board was of the opinion that the Capital Reorganisation would enable the Company to utilize the credit arising from it to declare distributions to the shareholders of the Company (the "Shareholders") at an earlier opportunity in the future and the Board believed that the Capital Reorganisation was in the interests of the Company and the Shareholders as a whole. On 19 September 2011, the Board announced that the Capital Reorganisation became effective after 4:30 p.m. on the even date. Further details were disclosed in the Company's announcements dated 12 July and 19 September 2011 and the Company's circular dated 25 August 2011.

Share Sale

On 17 June 2011, CIHL, a company beneficially owned as to 154,682,359 shares, representing approximately 55.73% of the then issued share capital of CIHL, by Dr. Chow Yei Ching, the then Director and the controlling Shareholder, and Wincon Capital Investment Limited ("WCIL") signed a share sale agreement (the "Share Sale Agreement") whereby CIHL agreed to sell and WCIL agreed to purchase 1,285,829,330 shares of the Company, representing approximately 54.14% of the issued share capital of the Company at the date of the Share Sale Agreement at a cash consideration of HK$243,622,000 (equivalent to approximately HK$0.18947 per share of the Company). The completion of the share sale conditional upon, among other things, the completion of the Asset Reorganisation (as defined below).

The completion of the Share Sale took place on 28 September 2011, whereby WCIL and parties acting in concert with it interested in 1,285,829,330 shares of the Company, representing approximately 54.14% of the issued share capital of the Company as at 28 September 2011. Thereafter, WCIL made a mandatory unconditional general offers (the "Offers") in cash for all the issued shares of the Company not already owned or agreed to be acquired by WCIL and parties acting in concert with it and to cancel all the outstanding Consultant Options (as defined in the circular of the Company dated 6 October 2011) in accordance with Rule 26.1 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Immediately after closing of the Offers on 27 October 2011, WCIL held a total of 1,662,882,530 shares of the Company (representing approximately 70.01% of the issued share capital of the Company). Following the Offers, the Group continues to engage in the business of food and beverages.

Asset Reorganisation

On 17 June 2011, CIHL and the Company signed an asset reorganisation agreement (the "Asset Reorganisation Agreement") whereby CIHL agreed to purchase and the Company agreed to sell the entire issued share capital of Sharp Rise Limited at a cash consideration of HK$246 million (the "Asset Reorganisation"). The completion of the Asset Reorganisation was conditional upon, among other things, simultaneous completion with the Share Sale Agreement. The Asset Reorganisation constituted a very substantial disposal for the Company under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). By virtue of CIHL's controlling interest in the Company, the Asset Reorganisation also constituted a connected transaction for the Company under the Listing Rules and a special deal for the Company under Rule 25 of the Takeovers Code. As a result of the Asset Reorganisation, Sharp Rise Group is principally engaged in the business of food and beverages while the Company and its remaining subsidiaries carry on the operating of restaurants, bars and kiosks. The Board considered that the Asset Reorganisation would facilitate the completion of share sale and the Special Distribution (as defined below) and, accordingly, WCIL to the Shareholders. The completion of the Asset Reorganisation took place on 28 September 2011. Following the completion of the Asset Reorganisation, Sharp Rise Limited ceased to be a subsidiary of the Company and became a wholly-owned subsidiary of CIHL. Further details were disclosed in the Company's announcements dated 12 July and 28 September 2011 and the Company's circular dated 25 August 2011.

Special Distribution

The Board also proposed to make a special distribution of HK$0.04563 per share of the Company (the "Special Distribution") to the Shareholders subject to the Capital Reorganisation becoming effective and completion of the Asset Reorganisation. The payment of the Special Distribution was despatched to the Shareholders on 30 September 2011. Further details were disclosed in the Company's announcements dated 23 August, 19 and 28 September 2011 and the Company's circular dated 25 August 2011.

Cancellation of Options and Termination of Consultancy and Option Agreements

The Company and each of the consultants signed a deed of termination on 15 July 2011 whereby all parties thereto mutually agreed to cancel the Options granted (as defined as Consultant Options in the joint announcement dated 12 July 2011) and to terminate the consultancy and option agreements with immediate effect with no consideration. Further details were disclosed in the Company's announcements dated 10 February 2010 and 12 July 2011.

Change of Company Name

With effect from the passing of the special resolution relating to the change of the Company's name on 20 January 2012 and the issuance of the Certificate of Incorporation on Change of Name and the Certificate of Secondary Name by the Registrar of Companies in Bermuda certifying respectively that the Company has changed its name and was registered as "DINGYI GROUP INVESTMENT LIMITED" and registered with the secondary name "鼎億集團投資有限公司" on 8 February 2012.

The Certificate of Registration of Change of Corporate Name of Non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on 5 March 2012.

Strategy and Outlook

Apart from the existing business of food and beverages, the Group will continue to explore other potential investment opportunities and is from time to time in discussion with potential targets with reasonable returns that meet the Company's criteria. The Group is exploring a few investment opportunities at present. This will not only strengthen our core business but also contribute new revenue and increase the Company's equity values.

FINANCIAL REVIEW

As at 31 March 2012, the Group's net assets attributable to equity holders of the Company amounted to HK$159 million (2011: HK$283 million), a decrease of HK$124 million or 44% when compared with 2011. Such decrease was mainly caused by the loss attributable to equity holders of HK$24 million and the dividends of total HK$108 million paid during the year. At the end of the reporting year, the Group had no bank borrowing (2011: nil). Cash and bank balances amounted to HK$104 million (2011: HK$85 million).

EMPLOYEES AND REMUNERATION POLICIES

The Group employed 112 full-time staff under its subsidiaries globally as at 31 March 2012. Total staff costs amounted to HK$121 million for the year ended 31 March 2012. The remuneration policies of the Group are reviewed periodically on the basis of job nature, market trend, company performance and individual performance. Other staff benefits include bonuses awarded on a discretionary basis, medical schemes and retirement schemes.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the code provisions as set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 of the Listing Rules (the "CG Code and Report") throughout the year ended 31 March 2012 except the following:

Under code provision A.4.1 which stated that non-executive Directors should be appointed for a specific term and subject to re-election.

Prior to the close of the Offers, all the independent non-executive Directors were not appointed for a specific term but subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the bye-laws of the Company (the "Bye-laws").

After closing of the Offers and change of board composition on 27 October 2011, all the independent non-executive Directors are under a term of service of two years commencing from the date of their respective appointment and are subject to retirement by rotation as provided for in the Bye-laws.

MODEL CODE FOR SECURITIES TRANSACTIONS

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. Following a specific enquiry, each of the Directors confirmed that he/she has complied with the Model Code throughout the year.

AUDIT COMMITTEE

An audit committee of the Company (the "Audit Committee") was established with written terms of reference in compliance with the relevant code provisions of the CG Code and Report.

As at 31 March 2012, there are three members in the Audit Committee comprising the three independent non-executive Directors, namely Mr. Chow Shiu Ki (chairman of the Audit Committee), Mr. Cheng Xiusheng and Mr. Sun Dongsheng.

The principal responsibilities of the Audit Committee are to review and provide supervision over the financial reporting system and internal control procedures of the Group and to review the Company's annual report and accounts and the interim report and to provide advices and comments thereon to the Board.

During the year, the Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls, risk management systems of the Group and financial reporting matters including the review of the audited financial statements of the Group for the year ended 31 March 2012.

REMUNERATION COMMITTEE

A remuneration committee of the Company (the "Remuneration Committee") was established with written terms of reference in compliance with the relevant code provisions of the CG Code and Report.

As at 31 March 2012, there are five members in the Remuneration Committee comprising the three independent non-executive Directors, namely Mr. Chow Shiu Ki (chairman of the Remuneration Committee), Mr. Cheng Xiusheng and Mr. Sun Dongsheng and the two executive Directors, namely Mr. Su Xiaonong and Mr. Cheung Sze Ming.

The principal responsibilities of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and senior management and to establish the formal and transparent procedures for developing remuneration policy.

NOMINATION COMMITTEE

On 29 March 2012, a nomination committee of the Company (the "Nomination Committee") was established with written terms of reference in compliance with the relevant code provisions of the CG Code and Report.

As at 31 March 2012, there are three members in the Nomination Committee comprising an executive Director, namely Mr. Li Kwong Yuk (chairman of the Nomination Committee), and the two independent non-executive Directors, namely Mr. Chow Shiu Ki and Mr. Sun Dongsheng.

The principal responsibilities of the Nomination Committee are to make recommendations to the Board on (i) any proposed changes to the Board to complement the Company's corporate strategy; and (ii) the appointment or re-appointment of Directors and succession planning for Directors.

PUBLICATION OF ANNUAL RESULTS ON THE STOCK EXCHANGE'S WEBSITE

The annual results announcement of the Company for the year ended 31 March 2012 is published on the Stock Exchange's website at http://www.hkexnews.hk and the Company's website at http://www.equitynet.com.hk/0508. The annual report of the Company for the year ended 31 March 2012 containing all applicable information required by the Listing Rules will be despatched to the Shareholders and published on the above websites in due course.

APPRECIATION

I would like to take this opportunity to express my gratitude to all those who have contributed to this year's results. They include our Shareholders, my fellow Directors, our valued business partners and associates, our steadfast customers, and our dedicated staff.

By order of the Board
DINGYI GROUP INVESTMENT LIMITED
LI Kwong Yuk
Chairman and Executive Director

Hong Kong, 27 June 2012

As at the date of this announcement, the Board comprises Mr. Li Kwong Yuk (Chairman), Mr. Su Xiaonong (Chief Executive Officer) and Mr. Cheung Sze Ming as executive Directors; and Mr. Cheng Xiusheng, Mr. Sun Dongsheng and Mr. Chow Shiu Ki as independent non-executive Directors.