RISING DEVELOPMENT HOLDINGS LIMITED
（麗盛集團控股有限公司）*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1004)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

The Board of Directors (the "Board") of Rising Development Holdings Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (together hereinafter referred to as the "Group") for the year ended 31 March 2013 together with comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2013

	Note	**2013** *HK$'000*	2012 *HK$'000*
TURNOVER	*4 & 5*	**80,721**	105,026
Cost of sales		**(77,489)**	(98,553)
Gross profit		**3,232**	6,473
Other income and net (losses)/gains	*5*		
– Net (loss)/gain from equity securities		**(8,540)**	8,184
– Others		**(16,958)**	14,535
Impairment loss on exploration and evaluation assets	*13*	**(246,053)**	(293,573)
Goodwill written off		**–**	(1,291)
Selling and distribution expenses		**(5,028)**	(4,529)
Operating and administrative expenses		**(25,686)**	(25,784)
LOSS FROM OPERATIONS		**(299,033)**	(295,985)
Finance costs	*6*	**(14,311)**	(6,372)
LOSS BEFORE TAX	*7*	**(313,344)**	(302,357)
TAXATION	*8*	**61,513**	73,393
LOSS FOR THE YEAR		**(251,831)**	(228,964)

* *For identification purpose only*

	Note	2013 HK$'000	2012 HK$'000
ATTRIBUTABLE TO:			
Equity shareholders of the Company		**(214,500)**	(184,470)
Non-controlling interests		**(37,331)**	(44,494)
LOSS FOR THE YEAR		**(251,831)**	(228,964)
LOSS PER SHARE	*10*		
Basic		**HK(15.47) cents**	HK(13.31) cents
Diluted		**HK(15.47) cents**	HK(13.62) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2013

	2013 HK$'000	2012 HK$'000
LOSS FOR THE YEAR	**(251,831)**	(228,964)
OTHER COMPREHENSIVE INCOME		
Exchange differences arising on translation of foreign operations	**13,034**	45,409
OTHER COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX)	**13,034**	45,409
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(238,797)**	(183,555)
ATTRIBUTABLE TO:		
Equity shareholders of the Company	**(203,975)**	(148,144)
Non-controlling interests	**(34,822)**	(35,411)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(238,797)**	(183,555)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013

	Note	2013 HK$'000	2012 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	**1,767**	1,718
Available-for-sale financial assets	12	**7,800**	7,800
Exploration and evaluation assets	13	**1,100,341**	1,329,686
Goodwill		**–**	–
		1,109,908	1,339,204
CURRENT ASSETS			
Inventories		**4,369**	2,790
Trade receivables	14	**1,328**	1,897
Prepayments, deposits, temporary payments and other receivables		**5,440**	5,827
Financial assets at fair value through profit or loss	15	**50,841**	62,695
Tax recoverable		**2,831**	2,831
Time deposits, cash and bank balances		**22,736**	32,942
		87,545	108,982
CURRENT LIABILITIES			
Trade payables	16	**43**	43
Customers' deposits		**1,504**	1,647
Margin loan payable		**14,921**	–
Other payables and accruals		**11,197**	6,535
Convertible notes		**–**	141
Tax payable		**590**	590
		28,255	8,956
NET CURRENT ASSETS		**59,290**	100,026
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,169,198**	1,439,230
NON-CURRENT LIABILITIES			
Convertible notes		**63,786**	37,651
Deferred tax liabilities		**272,283**	329,653
		336,069	367,304
NET ASSETS		**833,129**	1,071,926
CAPITAL AND RESERVES			
Share capital		**13,862**	13,862
Reserves		**656,098**	860,073
Equity attributable to equity shareholders of the Company		**669,960**	873,935
Non-controlling interests		**163,169**	197,991
TOTAL EQUITY		**833,129**	1,071,926

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial assets and liabilities which have been measured at fair value.

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2013. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealized gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

- Amendments to HKFRS 7, Financial instruments: Disclosures – Transfers of financial assets
- Amendments to HKAS 12, Income Taxes – Deferred tax: Recovery of underlying assets

Amendments to HKFRS 7, Financial instruments: Disclosures

The amendments to HKFRS 7 require certain disclosures to be included in the financial statements in respect of transferred financial assets that are not derecognised in their entirety and for any continuing involvement in transferred financial assets that are derecognised in their entirety, irrespective of when the related transfer transaction occurred. However, an entity need not provide the disclosures for the comparative period in the first year of adoption. The Group did not have any significant transfers of financial assets in previous periods or the current period which require disclosure in the current accounting period under the amendments.

Amendments to HKAS 12, Income taxes

Under HKAS 12 deferred tax is required to be measured with reference to the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of asset(s) in question. In this regard, the amendments to HKAS 12 introduced a rebuttable presumption that the carrying amount of investment property carried at fair value under HKAS 40, Investment property, will be recovered through sale. This amendment has no effect on the Group's financial statements for prior years and current year.

3. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2013

The following new and revised standards, amendments and interpretations have been issued but are not yet effective and have not been early adopted:

		Effective for accounting periods beginning on or after
Amendments to HKAS 1	Presentation of financial statements – *Presentation of items of other comprehensive income*	1 July 2012
HKFRS 10	*Consolidated financial statements*	1 January 2013
HKFRS 11	*Joint arrangements*	1 January 2013
HKFRS 12	*Disclosure of interests in other entities*	1 January 2013
HKFRS 13	*Fair value measurement*	1 January 2013
HKAS 27	*Separate financial statements (2011)*	1 January 2013
HKAS 28	*Investments in associates and joint ventures*	1 January 2013
Revised HKAS 19	*Employee benefits*	1 January 2013
Annual Improvements to HKFRSs 2009-2011 Cycle		1 January 2013
Amendments to HKFRS 7	*Financial instruments: Disclosures – Disclosures – Offsetting financial assets and financial liabilities*	1 January 2013
Amendments to HKFRS 1	**Government loans*	1 January 2013
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	*Consolidated financial statements, joint arrangements and disclosure of interests in other entities: transition guidance*	1 January 2013
HK(IFRIC) – Int 20	*Stripping Costs in the production phase of a surface mine*	1 January 2013
Amendments to HKAS 32	*Financial instruments: Presentation – Offsetting financial assets and financial liabilities*	1 January 2014
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	*Investment entities*	1 January 2014
HKFRS 9	*Financial instruments*	1 January 2015
Amendments to HKFRS 9 and HKFRS 7	*Mandatory effective date of HKFRS 9 and transition disclosures*	1 January 2015

The Group is in the process of making an assessment on the impact of these new standards, amendments and interpretations and does not anticipate that the adoption will result in any material impact on the Group's results of operations and financial position.

* *First-time adoption of Hong Kong Financial Reporting Standards.*

4. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Chief Executive Officer of the Group (the "CODM") that makes strategic decisions. The CODM organizes the business units based on their products and services, and has reportable operating segments as follows:

a) Trading in securities comprise proceeds from trading in listed securities and investment income from listed securities.

b) Investments comprise dividend and interest income from investments and gain or loss on investments other than securities.

c) Trading and sales of fur garments.

d) Trading of fur skins.

e) Mine exploration.

f) Others comprise the Group's management services business, which provide management services to Group companies.

The CODM monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that finance costs as well as corporate expenses are excluded from such measurement.

Segment assets consist primarily of property, plant and equipment, exploration and evaluation assets, intangible assets, inventories and trade and other receivables. Unallocated assets comprise current income tax recoverable, available-for-sale financial assets, convertible notes and cash and cash equivalents.

Segment liabilities consist primarily of trade and other payables and other non-current liabilities. Unallocated liabilities comprise deferred tax liabilities, current income tax liabilities, borrowings and convertible notes.

Capital expenditure comprises additions to property, plant and equipment.

Inter-segment transactions are on arm's length basis in a manner similar to transactions with third parties.

a) Operating segment information

For the year ended 31 March 2013

	Trading in securities *HK$'000*	Investments *HK$'000*	Trading and sales of fur garments *HK$'000*	Trading of fur skins *HK'000*	Mine *HK$'000*	Others *HK$'000*	Consolidated *HK$'000*
Segment revenue:							
Sales to external customers	**73,923**	**–**	**6,791**	**7**	**–**	**–**	**80,721**
Inter-segment sales	**–**	**–**	**1,065**	**–**	**–**	**–**	**1,065**
Reportable segment revenue	**73,923**	**–**	**7,856**	**7**	**–**	**–**	**81,786**
Elimination of inter-segment sales							**(1,065)**
Consolidated revenue							**80,721**
Segment results	**(11,660)**	**1,817**	**(10,814)**	**(544)**	**(248,172)**	**(1,416)**	**(270,789)**
Reconciliation:							
Interest income							**12**
Change in fair value of derivative components embedded in convertible notes							**(16,845)**
Net realised loss on derivative components of convertible notes							**(323)**
Unallocated corporate expenses							**(11,088)**
Loss from operating activities							**(299,033)**
Finance costs							**(14,311)**
Loss before tax							**(313,344)**
Taxation							**61,513**
Loss for the year							**(251,831)**
Other segment information:							
Depreciation	**–**	**(1)**	**(329)**	**(67)**	**(170)**	**(120)**	**(687)**
Capital expenditure	**–**	**–**	**(414)**	**(333)**	**–**	**–**	**(747)**
Unrealised loss on investments in financial assets at fair value through profit or loss	**(11,820)**	**–**	**–**	**–**	**–**	**–**	**(11,820)**
Goodwill written off	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Impairment loss on exploration and evaluation assets	**–**	**–**	**–**	**–**	**(246,053)**	**–**	**(246,053)**

For the year ended 31 March 2012

	Trading in securities *HK$'000*	Investments *HK$'000*	Trading and sales of fur garments *HK$'000*	Trading of fur skins *HK'000*	Mine *HK$'000*	Others *HK$'000*	Consolidated *HK$'000*
Segment revenue:							
Sales to external customers	96,374	–	8,605	47	–	–	105,026
Inter-segment sales	–	–	1,207	277	–	–	1,484
Reportable segment revenue	96,374	–	9,812	324	–	–	106,510
Elimination of inter-segment sales							(1,484)
Consolidated revenue							105,026
Segment results	5,909	(78)	(7,349)	98	(295,866)	(1,990)	(299,276)
Reconciliation:							
Interest income							5
Change in fair value of derivative components embedded in convertible notes							24,104
Net realised loss on derivative components of convertible notes							(9,615)
Unallocated corporate expenses							(11,203)
Loss from operating activities							(295,985)
Finance costs							(6,372)
Loss before tax							(302,357)
Taxation							73,393
Loss for the year							(228,964)
Other segment information:							
Depreciation	–	(1)	(794)	(52)	(167)	(121)	(1,135)
Capital expenditure	–	–	(210)	–	(27)	–	(237)
Unrealised gain on investments in financial assets at fair value through profit or loss	5,988	–	–	–	–	–	5,988
Goodwill written off	–	–	(1,291)	–	–	–	(1,291)
Impairment loss on exploration and evaluation assets	–	–	–	–	(293,573)	–	(293,573)

b) The segment assets and liabilities at the end of the reporting period are as follows:

As at 31 March 2013

	Trading in securities *HK$'000*	Investments *HK$'000*	Trading and sales of fur garments *HK$'000*	Trading of fur skins *HK'000*	Mine *HK$'000*	Others *HK$'000*	Consolidated *HK$'000*
Reportable segment assets	**50,841**	**1,536**	**13,561**	**16,788**	**1,101,178**	**79,375**	**1,263,279**
Elimination of inter-segment receivables							**(99,193)**
							1,164,086
Unallocated assets:							
Available-for-sale financial assets							**7,800**
Cash and cash equivalents							**22,736**
Tax recoverable							**2,831**
Total assets per consolidated statement of financial position							**1,197,453**
Reportable segment liabilities	**–**	**(10,460)**	**(44,632)**	**(24,476)**	**(14,025)**	**(33,265)**	**(126,858)**
Elimination of inter-segment payables							**99,193**
							(27,665)
Unallocated liabilities:							
Convertible notes							**(63,786)**
Deferred tax liabilities							**(272,283)**
Tax payable							**(590)**
Total liabilities per consolidated statement of financial position							**(364,324)**
Additions to non-current segment assets during the year	**–**	**–**	**414**	**333**	**–**	**–**	**747**

As at 31 March 2012

	Trading in securities *HK$'000*	Investments *HK$'000*	Trading and sales of fur garments *HK$'000*	Trading of fur skins *HK'000*	Mine *HK$'000*	Others *HK$'000*	Consolidated *HK$'000*
Reportable segment assets	62,695	1,548	11,051	16,447	1,330,753	63,969	1,486,463
Elimination of inter-segment receivables							(81,850)
							1,404,613
Unallocated assets:							
Available-for-sale financial assets							7,800
Cash and cash equivalents							32,942
Tax recoverable							2,831
Total assets per consolidated statement of financial position							1,448,186
Reportable segment liabilities	–	(5,883)	(32,194)	(23,735)	(11,825)	(16,438)	(90,075)
Elimination of inter-segment payables							81,850
							(8,225)
Unallocated liabilities:							
Convertible notes							(37,792)
Deferred tax liabilities							(329,653)
Tax payable							(590)
Total liabilities per consolidated statement of financial position							(376,260)
Additions to non-current segment assets during the year	–	–	210	–	962	–	1,172

c) Geographical information:

i) Revenue from external customers

The Group's activities are conducted predominantly in Hong Kong and Mainland China. Revenue by geographical location is determined on the basis of the locations of stock exchanges for sales of listed securities and the services provided, as well as the destination of the goods delivered.

The following table provides an analysis of the Group's revenue by geographical location:

	2013	2012
	HK$'000	*HK$'000*
Hong Kong and Mainland China	**80,588**	104,519
Other countries	**133**	507
Total revenue	**80,721**	105,026

ii) Non-current assets

The non-current assets information is based on the location of assets and excludes financial instruments.

The following table provides an analysis of the Group's non-current assets by geographical location:

	2013	2012
	HK$'000	*HK$'000*
Hong Kong	**587**	499
Mainland China	**1,101,174**	1,330,413
Other countries	**347**	492
	1,102,108	1,331,404

Information about major customers:

Revenues from customers contributing over 10% of the total sales of fur skins and fur garments of the Group are as follows:

	2013	2012
	HK$'000	*HK$'000*
Customer A	**2,620**	3,247

5. TURNOVER AND OTHER INCOME AND NET (LOSSES)/GAINS

An analysis of the Group's turnover and other income and net (losses)/gains is as follows:

	2013	2012
	HK$'000	*HK$'000*
Turnover		
Sales of fur skins and fur garments	**6,798**	8,652
Proceeds from sales of listed financial assets at fair value through profit or loss	**73,923**	96,374
	80,721	105,026
Other income and net (losses)/gains		
Net (loss)/gain from equity securities:		
Dividend income from unlisted available-for-sale financial assets	**3,120**	2,028
Dividend income from listed financial assets at fair value through profit or loss	**160**	168
Unrealised (loss)/gain on investments in listed financial assets at fair value through profit or loss	**(11,820)**	5,988
	(8,540)	8,184
Others:		
Gain on disposal of property, plant and equipment	**50**	–
Bank interest income	**12**	5
Other interest income	**–**	1
Fair value change on derivative components embedded in convertible notes	**(16,845)**	24,104
Net realised loss on derivative components of convertible notes	**(323)**	(9,615)
Others	**148**	40
	(16,958)	14,535
	(25,498)	22,719

6. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Imputed interest expenses on convertible notes	**14,291**	6,372
Interest on margin loan payable	**20**	–
	14,311	6,372

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2013	2012
	HK$'000	*HK$'000*
Cost of inventories and trading securities sold	**77,489**	98,553
Depreciation	**687**	1,135
Minimum leases payments under operating lease on land and buildings	**3,742**	3,698
Auditors' remuneration		
– audit services	**460**	435
– other services	**100**	120
	560	555
Staff salary, allowances and benefits in kind (excluding directors' remuneration)	**7,790**	7,977
Pension contributions	**304**	231
Exchange loss	**398**	178
Write-back of net provision for obsolete inventories	**(344)**	(3,033)

8. TAXATION

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong for the years ended 31 March 2013 and 31 March 2012. Overseas taxes on assessable profits of the Company or its subsidiaries, if any, are calculated at the rates of tax prevailing in the respective jurisdictions in which they operate, based on the prevailing legislation, interpretations and practices in respect thereof.

	2013	2012
	HK$'000	*HK$'000*
Taxation in the consolidated income statement represents income tax credit as follows:		
Deferred tax	**61,513**	73,393

9. DIVIDENDS

The board of directors does not recommend the payment of any dividend for the year ended 31 March 2013 (2012: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

a) Basic loss per share

Basic loss per share for the years ended 31 March 2013 and 31 March 2012 is calculated by dividing the loss for the year attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue during the years ended 31 March 2013 and 31 March 2012 respectively.

	2013	2012
Loss for the year attributable to equity shareholders of the Company *(HK$'000)*	**(214,500)**	(184,470)
Weighted average number of ordinary shares in issue *(thousands)*	**1,386,228**	1,386,228
Basic loss per share *(HK cents per share)*	**(15.47) cents**	(13.31) cents

b) Diluted loss per share

Diluted loss per share for the year ended 31 March 2013 is the same as the basic loss per share, as the convertible notes outstanding during the year had an anti-dilutive effect on the basic loss per share for the year.

The calculation of diluted loss per share for the year ended 31 March 2013 is based on the loss for the year attributable to equity shareholders of the Company of HK$184,189,000 (2012: HK$202,589,000) and the weighted average number of ordinary shares of 1,486,228,000 shares (2012: 1,487,003,000 shares), calculated as follows:

i) Loss attributable to ordinary equity shareholders of the Company (diluted):

	2013 *HK$'000*	2012 *HK$'000*
Loss for the purpose of basic loss per share	**(214,500)**	(184,470)
After tax effect of effective interest on the liability components of convertible notes	**13,466**	5,985
After tax effect of fair value loss/(gain) recognised on the conversion option derivative components of convertible notes	**16,845**	(24,104)
Loss attributable to ordinary equity shareholders (diluted)	**(184,189)**	(202,589)

ii) Weighted average number of ordinary shares (diluted):

	2013 *'000*	2012 *'000*
Weighted average number of ordinary shares for the purpose of basic loss per share	**1,386,228**	1,386,228
Effect of dilutive potential ordinary shares in respect of convertible notes	**100,000**	100,775
Weighted average number of ordinary shares (diluted)	**1,486,228**	1,487,003

11. PROPERTY, PLANT AND EQUIPMENT

For the year ended 31 March 2013, the Group acquired items of property, plant and equipment with cost of HK$747,000 (year ended 31 March 2012: HK$237,000) and disposed items of property, plant and equipment of HK$515,000 (year ended 31 March 2012: HK$Nil).

12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2013	2012
	HK$'000	*HK$'000*
Unlisted equity securities, at cost	**7,800**	7,800

At the end of the reporting period, the above unlisted equity securities are not stated at fair value but at cost less any impairment loss because they do not have a quoted market price in an active market and the fair value cannot be reliably measured.

13. EXPLORATION AND EVALUATION ASSETS

	Exploration rights	**Evaluation expenditure**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
Balance at 1 April 2011	1,552,062	9,762	1,561,824
Exchange adjustment	60,122	378	60,500
Additions during the year	–	935	935
Impairment loss	(293,573)	–	(293,573)
Balance at 31 March 2012 and 1 April 2012	1,318,611	11,075	1,329,686
Exchange adjustment	16,570	138	16,708
Impairment loss	(246,053)	–	(246,053)
Balance at 31 March 2013	**1,089,128**	**11,213**	**1,100,341**

The exploration rights represent the carrying amount of the rights for mining, exploration and exploitation in a vanadium mine located in Shaanxi, PRC. The exploitation licence of the mine has been granted for 3 years and is renewable on an ongoing basis.

As at 31 March 2013, the management has engaged an independent professional valuer, BMI Appraisals Limited, to carry out a valuation on the exploration rights for the purposes of an impairment review on the exploration rights. Based on the report of this valuer, the management considers that the exploration and evaluation assets should be impaired as the carrying amount of exploration and evaluation assets exceeds its estimated recoverable amount at 31 March 2013. Accordingly, an impairment loss of HK$246,053,000 (2012: HK$293,573,000) was recognised in consolidated income statement for the year ended 31 March 2013.

14. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit. The Group allows an average credit period of 30 to 60 days for its customers. Trade receivables are non-interest bearing.

An ageing analysis of trade receivables at the end of the reporting period based on the invoice date is as follows:

	2013	2012
	HK$'000	*HK$'000*
Current to 30 days	**337**	286
31 days to 60 days	**1**	92
Over 60 days	**990**	1,519
	1,328	1,897

Impairment losses in respect of trade receivables are recorded using the allowance account unless the Group is satisfied that the recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

At 31 March 2013 and 31 March 2012, there were no impairment losses in respect of trade receivables.

The ageing analysis of the trade receivables that are not considered to be impaired is as follows:

	2013	2012
	HK$'000	*HK$'000*
Neither past due nor impaired	**77**	286
Less than 1 month past due	**255**	92
1 to 3 months past due	**526**	705
Over 3 months past due	**470**	814
	1,251	1,611
	1,328	1,897

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

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

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2013	2012
	HK$'000	*HK$'000*
Equity securities listed in Hong Kong at fair value	**50,841**	62,695

At 31 March 2013, the total carrying amounts of certain financial assets at fair value through profit or loss amounted to HK$50,436,000, which have been pledged as security for the margin loan payable of HK$14,921,000 (2012: Nil).

16. TRADE PAYABLES

An ageing analysis of trade payables at the end of the reporting period is as follows:

	2013	2012
	HK$'000	*HK$'000*
Current to 30 days	**–**	–
31 days to 60 days	**–**	–
Over 60 days	**43**	43
	43	43

The trade payables are non-interest bearing and normally settled on 30 to 60 days terms.

17. BANKING FACILITIES/BORROWINGS

At 31 March 2013 and 31 March 2012, the Company and the Group did not obtain any banking facilities and borrowings except for margin loan payable and convertible notes.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS AND BUSINESS REVIEW

During the year under review, the Group recorded a turnover of HK$80,721,000 (2012: HK$105,026,000), representing a decrease of 23.1% as compared to that of last year. The decrease in turnover was mainly due to the loss in the business of trading in securities. The net loss attribute to equity shareholders of the Company for the current year amounted to HK$214,500,000 as compared to a net loss of HK$184,470,000 last year, resulting in a basic loss per share this year of HK15.47 cents (2012: basic loss per share of HK13.31 cents). The loss were mainly due to the unrealised loss on investments in listed financial assets at fair value through profit or loss, fair value change on derivate components embedded in convertible notes and the impairment loss of the mining business. The impairment loss of mining business required current market valuation to be made each year on the mining right with respect to the vanadium mine. The valuation was conducted by an independent valuer, which amounted to RMB872,000,000 (equivalent to HK$1,089,128,000) as at 31 March 2013 as compared to its carrying amount of RMB1,069,000,000 (equivalent to HK$1,318,611,000) as at 31 March 2012, resulting in a loss after tax of HK$147,632,000 for the year attributable to the equity shareholders of the Company.

Turnover by Business Segments

Ratio analysis by business segments for the Group's turnover for the year ended 31 March 2013 is as follows:

- Trading in securities: approximately HK$73,923,000, 91.6% of turnover (2012: HK$96,374,000, 91.7%)

- Trading of fur skins: approximately HK$7,000, 0% of turnover (2012: HK$47,000, 0.1%)

- Trading and sales of fur garments: approximately HK$6,791,000, 8.4% of turnover (2012: HK$8,605,000, 8.2%)

Turnover by Geographical Region

Ratio analysis by geographical region for the Group's turnover for the year ended 31 March 2013 is as follows:

- Mainland China and Hong Kong: approximately HK$80,588,000, 99.8% of turnover (2012: HK$104,519,000, 99.5%)

- Other regions: approximately HK$133,000, 0.2% of turnover (2012: HK$507,000, 0.5%)

INVESTMENT BUSINESS

Trading in securities

During the year, turnover from trading in securities was HK$73,923,000, representing a decrease of 23.2% compared with the corresponding period last year of HK$96,374,000. Loss of HK$11,660,000 was recorded from this sector during the year as compared with the corresponding period last year of profit HK$5,909,000.

FUR BUSINESS

Trading of fur skins

Continued high auction prices which in turn means much higher stock risks for the Group's own stocking needs and our customers. This year's skin trading turnover was HK$7,000, representing a decrease of 85.1% compared with the corresponding period last year of HK$47,000. Loss of HK544,000 was recorded from this sector during the year as compared with the corresponding period last year of profit HK$98,000. The loss was mainly due to increase in administrative expenses.

Trading and sales of fur garments

The turnover of sales of fur garments during the year was HK$6,791,000, representing a decrease of 21% compared with the corresponding period last year of HK$8,605,000. A loss of HK$10,814,000 was recorded from sales of fur garment, representing an increase of 47% during the year as compared with the corresponding period last year of loss HK$7,349,000. The loss was mainly due to increase in administrative expenses.

MINE BUSINESS

During the year under review, the mining business of the Group has not yet contributed any operational turnover as a result of slow down of mining processes due to weak market price of vanadium.

PROSPECT

Investment Business

European debt crisis and weak consumption in Western countries, slow down of economic growth in China, uncertain economy recovery in US, all these mixed elements together indicating definitely unforeseeable challenges ahead in the forthcoming year. Moreover, political instabilities nearby in the Northern Asia, disputes on sovereignty claims on Diaoyu Islands in the East China Sea, Huangyan Island and the Paracels in the South China Sea, that are results of the rebalancing strategy of US in Asia which aim for the move to contain China. All of these could cause shaky and uncertainty for worldwide that inevitably affects the economy of Hong Kong. Currency war and rise of protectionism are another area of risk which could harm and affect international trade and local employment of each country and will be prevailing in the near future jeopardizing the global economy. On the other hand we hope US, European Union and Japan will keep on implementing their loose monetary policy so as to minimize all the above-mentioned negative economic impacts. Slow consumption and global economic growth is expecting in the coming 2013. The Group would keep on maintain its cautious and challenging attitude and measures in managing the investment strategy for the negative worldwide market ahead.

FUR BUSINESS

Trading of fur skins

The Group has not yet resumed the fur skin trading as the auction prices have remained at a high level, customers from China are still cautious about the tighter import control imposed by the Chinese authorities. Some local market participants in the fur trading industry were involved in tax problems in the PRC. This has affected our fur skin trading as most of our clients are PRC originated.

Trading and sales of fur garments

Sales of our fur garment business were weak in Europe as a result of the European debt crisis. After review, we are in the process of considering the possibility of scale down the operation in this market in order to avoid further losses from this geographic segment. Sales of fur garments in Hong Kong and PRC dropped slightly last year as a result of weaker consumption in China after recording a slower GDP growth. In 2013 the Group will continue its strategy to launch its own designer's collection labels of LECOTHIA and FREDE DERICK and expand in the PRC where we consider there will be room for the expansion of our fur garment sales under our business mode by increasing more partnerships. This expansion consideration is a natural extension of our business plan after gaining years of experience with local shopping outlets in China. We hope this expansion plan will be a profit enhancing in this sector of business and overall the management is expecting a moderate growth in sales of fur garments in the coming fiscal year.

MINING BUSINESS

Due to weak consumption worldwide, exports of vanadium are facing weak global demand, the price of vanadium still remains at low level, this time the price drop in metals is not solely in consumable metals such as copper and iron, also covers those precious metals including gold and silver. All metal prices dropped significantly as a result that most developing countries especially European countries are predicting a low and even negative GDP growth in the coming fiscal year due to tight budget imposed by many European countries. The vanadium demand in China is also suppressed by tight lending control exercised by Chinese government on property sector which aim to reduce the property bubble. As mentioned previously by the Group that are based on commercial consideration, the Group would slow down the mining pace and keep on focusing on the related ground and preparation works for initial mining, waiting for the recovery of the vanadium market. At the same time the management would be cautious and exercise due control on the expenses in the Group's mining business in order to control the costs.

The current status of the refinery is now in stay-ready status and prepares for opportunities when the selling price of the commodity recovers.

In order to provide with the Company an updated professional view on the current status of the mine, the Company has engaged an independent profession engineering company ("Engineer") to carry out technical and economic review for our Vanadium mine. As the conclusions by the Engineer that both the operation cost and capital cost of the project are high when compared to the current price of V_2O_5. As a result of the fact that the project experienced a substantial decrease in the price of V_2O_5 after acquisition and the current market price of V_2O_5 is about the same as the total operating cost, Engineer considers the project uneconomical at present. The Engineer concurred with the view that the Company to postpone the development plan until the market of V_2O_5 recovers. Therefore, the existing development plan of the mine will postpone until the market of V_2O_5 recovers.

The major difference between the existing development plan and the original production plan was postpone of the mine development until the market of V_2O_5 recovers because there was unexpected substantial decrease in the price of V_2O_5 after acquisition of the project.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally derives cash for operation from internal cash flow from banks in Hong Kong and PRC. As at 31 March 2013, the Group had cash and bank balances of approximately HK$22,736,000 (2012: HK$32,942,000). As at 31 March 2013, the Group's interest bearing borrowings (including margin loan payable and convertibles notes) amounted to approximately HK$78,707,000 (2012: HK$37,792,000). Shareholders' funds amounted to approximately HK$833,129,000 (2012: HK$1,071,926,000). Accordingly, the gearing ratio was 6.7% (2012: 0.4%).

CAPITAL STRUCTURE

(1) During the year ended 31 March 2009, the Company issued convertible notes (the "11 April 2008 convertible notes") with a nominal value of HK$837,000,000 to three independent vendors as part of consideration for acquiring 80% interest in Shaanxi Jiuquan Mining Company Limited. The 11 April 2008 convertible notes bear interest at 1% per annum with a maturity date on 10 April 2011. The holders of the 11 April 2008 convertible notes (the "CN holders") have the right to convert on or after 11 April 2008 up to and including 10 April 2011, into ordinary share of the Company at an initial conversion price of HK$0.28 per share, subject to adjustment for general dilutive events.

During the year ended 31 March 2010, the Company entered into a deeds of settlement dated 24 June 2009 with the holders of the 11 April 2008 convertible notes that the Company issued to the CN holders the new convertible notes in the aggregate principal amount of HK$744,930,000 with a term of 3 years. The new convertible notes were issued on 24 June 2009. The notes bear no interest with a maturity date on 23 June 2012. The conversion price of the new convertible notes is HK$0.6 per share (subject to adjustment). The CN holders agreed that the obligations of the Company under the 11 April 2008 convertible notes were fully discharged. In addition, the 1% interest payable amounting to HK$8,370,000 on the 11 April 2008 convertible notes was waived. The principal amount of the 11 April 2008 convertible notes were settled in full by the new convertible notes of HK$744,930,000 for the same holders during the year ended 31 March 2010. The effective interest rate of the liability component is 10.19% per annum. During the year ended 31 March 2010, total principal of HK$744,465,000 were converted into 1,240,775,000 new ordinary shares of the Company of HK$0.01 each. Outstanding principal amount of the convertible notes as at 31 March 2012 was HK$465,000. On 22 June 2012, the Company redeemed and repaid the convertible notes with the outstanding amount of HK$465,000 in full.

(2) On 12 October 2011, the Company issued convertible notes with a nominal value of HK$100,000,000. The convertible notes bear interest at 5% per annum with maturity date on 11 October 2014. The holders of the convertible notes have the right to convert on any business date at any time following 12 October 2011 until the date falling 7 days before (and excluding) 11 October 2014, into ordinary share of the Company at an initial conversion price of HK$1.00 per share (subject to adjustment). The Company shall have the right at any time from the date of issue of the convertible notes and inclusive of the maturity date to redeem the whole or part of the outstanding convertible. The effective interest rate of the liability component is 19.55% per annum.

The convertible notes as stated in (1) and (2) above were split into liability, derivative and equity components upon initial recognition by recognising the liability components and conversion option derivative components at their fair value and attributing to the equity components the residual amount. The liability component is subsequently carried at amortised cost while the derivative component is carried at fair value to be remeasured at the end of each reporting period. The equity component is recognized in the convertible notes equity reserve. The fair values of the conversion option derivative components of the convertible notes were determined as of the date of issue and 31 March 2013 and 31 March 2012 by an independent firm of professionally qualified valuers, BMI Appraisals Limited.

Time deposits, cash and bank balances include the following amounts denominated in a currency other than the Group's and Company's functional currency, Hong Kong dollars:

	2013	2012
	HK$'000	*HK$'000*
Euro	**77**	95
United States dollars	**261**	820
Danish Krone	**27**	28
Renminbi	**1,473**	214

The Group monitors capital using a gearing ratio, which is net debt divided by the total equity of the Group. Net debt includes interest-bearing bank and other borrowings, less time deposits, cash and bank balances, and excludes discontinued operations. Capital includes equity attributable to equity holders of the Company. The gearing ratio of the Group as at the end of the reporting periods was as follows:

	2013	2012
	HK$'000	*HK$'000*
Borrowings		
Margin loan payable	**14,921**	–
Convertible notes	**63,786**	37,792
Total borrowings	**78,707**	37,792
Less: time deposits, cash and bank balances	**(22,736)**	(32,942)
Net debt	**55,971**	4,850
Total equity	**833,129**	1,071,926
Gearing ratio	**6.7%**	0.4%

Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

CHARGES ON ASSETS

At 31 March 2013 and 31 March 2012, the Group did not obtain any banking facilities and borrowings except for margin loan payable and convertible notes.

At 31 March 2013, the Group and the Company have pledged certain financial assets at fair value through profit or loss held under the margin account to secure the margin loan payable (2012: Nil).

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS

There were no acquisition and disposal of subsidiaries and associates during the year ended 31 March 2013.

FOREIGN EXCHANGE EXPOSURE

The Group's businesses are mainly conducted in United States dollars and Renminbi, with minimal exposure to fluctuations in foreign exchanges.

EMPLOYEES

As at 31 March 2013, the Group employed around 47 employees in Hong Kong, Macau and Mainland China. The Group's remuneration policies are based primarily on the prevailing market rate and the performance of individual employees. Fringe benefits, including Mandatory Provident Fund, medical benefits and training are provided. The Group has also established a discretionary bonus scheme for its management and staff with awards determined annually based upon the performance of the Group and individual employees.

CONTINGENT LIABILITIES

The Company and the Group had no contingent liabilities as at 31 March 2013.

FINAL DIVIDEND

Since tough challenges and uncertainties are expected globally including PRC and Hong Kong in the forthcoming financial year 2014, and also the Group has not recorded a profit during the year, the Board does not recommend the payment of a final dividend for the year ended 31 March 2013 (2012: Nil).

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a set of Code of Conduct for Securities Transactions by Directors ("Code of Conduct"), the terms of which are no less than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. Having made specific inquiries to all Directors, they confirmed that they have complied with the Code of Conduct throughout the year ended 31 March 2013.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices ("Former CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), which came into effect on 1 January 2005 and was revised and renamed as the Corporate Governance Code and Corporate Governance Report ("New CG Code") with effect from 1 April 2012.

The Company is committed to maintaining statutory and regulatory standards, and adherence to the principle of corporate governance with emphasis on transparency, independence and accountability with a view to safeguarding the interests of shareholders and enhancing corporate value. The Board is of the view that the Company has complied with the code provisions set out in the Former CG Code and the New CG Code contained in Appendix 14 to the Listing Rules on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in respect of the year ended 31 March 2013, save for the following deviations:

Code Provision A.2.1 of the New CG Code

This code provision stipulates that the roles of the Chairman of the Board and Chief Executive Officer should be separate and should not be performed by the same individual.

Though this led to the Company's non-compliance of the code provision A.2.1 of the New CG Code, the Board believes that vesting the roles of both Chairman and Chief Executive Officer in Dr. Lee Yuk Lun, JP, provides the Group with a strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. As such, the structure is beneficial to the Group and the shareholders as a whole.

Code Provision A.4.1 of the New CG Code

This code provision stipulates that non-executive directors of a listed issuer should be appointed for a specific term. Currently, the Company has not complied with such code provision. Although the directors of the Company, including the non-executive directors, do not have a specific term of appointment, the Board consider that the Company meets the objective of the code provision A.4.1 since all of the Company's directors are subject to retirement by rotation and re-election at the Company's annual general meeting at least once every three years in accordance with the Company's Bye-laws.

Code Provision A.4.2 of the New CG Code

This code provision stipulates that requires every director, including those appointed for a specific term, to be subject to retirement by rotation at least once every three years. Pursuant to the Bye-laws, all directors excluding the Chairman of the Board, shall retire from office by rotation at least once every three years. The Board considers that, though there is a deviation from the code provision A.4.2 of the New CG Code, the aforementioned provision in the Bye-laws is appropriate to the Company since the continuous leadership by the Chairman of the Board allows for effective and efficient planning and implementation of business decisions and strategies which is significant for stability and growth of the Group.

Code Provision A.6.7 of the New CG Code

This code provision stipulates that the independent non-executive directors and other non-executive directors should attend the annual general meeting. Mr. Tsui Ching Hung and Ms. Tso Hoi Sai, Bosco were unable to attend the Company's 2012 annual general meeting as they had another important business engagement.

Code Provision E.1.2 of the New CG Code

Code provision E.1.2 of the New CG Code stipulates that the Chairman should attend the annual general meeting. Dr. Lee Yuk Lun, JP, the Chairman of the Board was unable to attend the Company's 2012 annual general meeting as he had another important business engagement. Despite his absence, he had arranged for Mr. Kong Shan, David, an executive director of the Company, to take the chair of the meeting and answer shareholders' question. Dr. Lee also arranged Mr. Lam Kwan Sing and Mr. Wong Nga Leung and Mr. Fok Ho Yin, Thomas to be available to answer questions at the said annual general meeting.

Further information on the Company's corporate governance practices will be detailed in the corporate governance report contained in the annual report of the Company for the year ended 31 March 2013, which shall be sent to the Company's shareholders in due course.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

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

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting system and internal control procedures, review of the Group's financial statements and review of the relationship with the auditors of the Company. The Audit Committee comprises all three independent non-executive directors of the Company. The Audit Committee has reviewed with the Group's senior management and external auditors the accounting principles and practices adopted by the Group and reviewed the Company's consolidated financial statements for the year ended 31 March 2013.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE OF HONG KONG LIMITED AND THE COMPANY

This results announcement is published on the website of the Stock Exchange of Hong Kong Limited at http://www.hkexnews.hk under "Latest Information" and the Company's website at http://www.hkrising.com.

The printed copy of the Annual Report will be sent to shareholders of the Company and the soft copy of the Annual Report will be published on websites of both the Stock Exchange of Hong Kong Limited and the Company in due course.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "AGM") will be held on 2 August 2013. Details of the AGM are set out in the notice of the AGM which constitutes part of the circular to be sent to the Company's shareholders together with the Annual Report. Notice of the AGM and the proxy form will also be available on websites of both the Stock Exchange of Hong Kong Limited and the Company.

ACKNOWLEDGEMENT

The management is trying its best and measures to cope with the more challenging and difficult environments ahead in 2014. The management aims to resume the Group back to profit situation as its main task. I would like to take this opportunity to express my sincere thanks to all our shareholders, investors, bankers, business associates and customers for their supports to the Group and to all our directors, senior management and staff for the contributions in 2013 and looking forward the same would extend to the Group in 2014.

DIRECTORS OF THE COMPANY

Dr. Lee Yuk Lun, JP, Mr. Kong Shan, David, Mr. Lam Kwan Sing, Mr. Wong Nga Leung and Mr. Hon Ming Sang are the executive directors of the Company; and Mr. Fok Ho Yin, Thomas, Mr. Tsui Ching Hung and Ms. Cheung Oi Man, Amelia are the independent non-executive directors of the Company.

By order of the Board
Rising Development Holdings Limited
Dr. Lee Yuk Lun, JP
Chairman

Hong Kong, 21 June 2013