Chuang's Consortium International Limited
(莊士機構國際有限公司)

(incorporated in Bermuda with limited liability)

(Stock Code: 367)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH, 2013

RESULTS

The Board of Directors (the "Board") of Chuang's Consortium International Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively as the "Group") for the year ended 31st March, 2013 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March, 2013

	Note	**2013** ***HK$'000***	2012 *HK$'000*
Revenues		**1,100,345**	2,207,128
Cost of sales		**(666,584)**	(1,142,430)
Gross profit		**433,761**	1,064,698
Other income and net gain	*4*	**65,630**	235,146
Selling and marketing expenses		**(73,344)**	(90,827)
Administrative and other operating expenses		**(358,601)**	(390,555)
Change in fair value of investment properties		**1,199,085**	515,726
Operating profit	*5*	**1,266,531**	1,334,188
Finance costs	*6*	**(47,677)**	(54,631)
Share of results of associated companies		**(400)**	(3,167)
Share of result of a jointly controlled entity		**(29)**	(35)
Profit before taxation		**1,218,425**	1,276,355
Taxation	*7*	**(79,399)**	(221,570)
Profit for the year		**1,139,026**	1,054,785
Attributable to:			
Equity holders		**1,147,641**	901,313
Non-controlling interests		**(8,615)**	153,472
		1,139,026	1,054,785
Dividends	*8*	**83,467**	87,347
		HK cents	*HK cents*
Earnings per share (basic and diluted)	*9*	**70.88**	57.07

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March, 2013

	2013 HK$'000	2012 HK$'000
Profit for the year	**1,139,026**	1,054,785
Other comprehensive income:		
Net exchange differences	**23,265**	39,440
Share of exchange reserve of an associated company	**–**	(19)
Realisation of reserves upon disposal of an associated company	**–**	(3,723)
Change in fair value of available-for-sale financial assets	**(11,790)**	2,904
Other comprehensive income for the year	**11,475**	38,602
Total comprehensive income for the year	**1,150,501**	1,093,387
Total comprehensive income attributable to:		
Equity holders	**1,153,095**	917,432
Non-controlling interests	**(2,594)**	175,955
	1,150,501	1,093,387

CONSOLIDATED BALANCE SHEET

As at 31st March, 2013

	Note	2013 HK$'000	2012 HK$'000
Non-current assets			
Property, plant and equipment		**298,872**	323,420
Investment properties		**6,060,410**	4,830,675
Leasehold land and land use rights		**83,893**	83,534
Properties for/under development		**530,120**	421,502
Cemetery assets		**551,029**	536,209
Associated companies		**10,219**	10,669
Jointly controlled entity		**–**	–
Amount due from a jointly controlled entity		**61,138**	58,685
Available-for-sale financial assets		**111,050**	92,984
Loans and receivables		**12,836**	14,408
		7,719,567	6,372,086
Current assets			
Properties for sale		**2,190,179**	1,849,084
Inventories		**132,704**	124,713
Cemetery assets for sale		**111,290**	112,679
Debtors and prepayments	*10*	**623,054**	575,670
Tax recoverable		**–**	117
Financial assets at fair value through profit or loss		**247,745**	330,494
Pledged bank balances		**30,516**	–
Cash and bank balances		**1,803,087**	1,890,245
		5,138,575	4,883,002
Current liabilities			
Creditors and accruals	*11*	**309,146**	341,377
Sales deposits received		**366,266**	136,282
Derivative financial instruments		**–**	3,500
Short-term bank borrowings		**26,577**	14,511
Current portion of long-term bank borrowings		**521,572**	437,814
Taxation payable		**361,842**	310,142
		1,585,403	1,243,626
Net current assets		**3,553,172**	3,639,376
Total assets less current liabilities		**11,272,739**	10,011,462
Equity			
Share capital		**420,138**	398,211
Reserves		**6,907,535**	5,787,695
Proposed final dividend		**50,417**	55,750
Shareholders' funds		**7,378,090**	6,241,656
Non-controlling interests		**1,465,272**	1,477,061
Total equity		**8,843,362**	7,718,717
Non-current liabilities			
Long-term bank borrowings		**2,009,681**	1,883,409
Convertible note		**52,549**	46,343
Deferred taxation liabilities		**356,972**	352,824
Loans from non-controlling interests		**10,175**	10,169
		2,429,377	2,292,745
		11,272,739	10,011,462

NOTES:

1. GENERAL INFORMATION

Chuang's Consortium International Limited (the "Company") is a limited liability company incorporated in Bermuda and listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is 25th Floor, Alexandra House, 18 Chater Road, Central.

The principal activities of the Company and its subsidiaries (collectively as the "Group") are property investment and development, hotel operation, manufacturing and sale of watch components, merchandise, bonded polyester fabrics, home finishing products and printed products, securities investment and trading, and the development and operation of cemetery.

2. BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets, derivative financial instruments and financial assets at fair value through profit or loss at fair values, and in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

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

The adoption of revised HKFRSs

For the financial year ended 31st March, 2013, the Group adopted the following amendment that is effective for the Group's accounting periods beginning on 1st April, 2012 and relevant to the operations of the Group:

HKFRS 7 (Amendment)	Financial Instruments: Disclosures – Transfers of Financial Assets

The Group has assessed the impact of the adoption of this amendment and considered that there was no significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies and presentation of the financial statements.

The Group had early adopted HKAS 12 (Amendment) "Deferred Tax: Recovery of Underlying Assets" since the financial year beginning on 1st April, 2010.

Standards and amendments to existing standards that are not yet effective

The following new and amended standards and amendments have been published which are relevant to the Group's operations and are mandatory for the Group's accounting periods beginning on or after 1st April, 2013, but have not yet been adopted by the Group:

HKAS 1 (Amendment)	Presentation of Financial Statements (effective from 1st July, 2012)
HKAS 19 (2011)	Employee Benefits (effective from 1st January, 2013)
HKAS 27 (2011)	Separate Financial Statements (effective from 1st January, 2013)
HKAS 28 (2011)	Investments in Associates and Joint Ventures (effective from 1st January, 2013)
HKAS 32 (Amendment)	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities (effective from 1st January, 2014)
HKFRS 7 (Amendment)	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (effective from 1st January, 2013)
HKFRS 9	Financial Instruments (effective from 1st January, 2015)
HKFRS 10	Consolidated Financial Statements (effective from 1st January, 2013)
HKFRS 11	Joint Arrangements (effective from 1st January, 2013)
HKFRS 12	Disclosures of Interests in Other Entities (effective from 1st January, 2013)
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendment)	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance (effective from 1st January, 2013)
HKFRS 10, HKFRS 12 and HKAS 27 (2011) (Amendment)	Investment Entities (effective from 1st January, 2014)
HKFRS 13	Fair Value Measurement (effective from 1st January, 2013)
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle (effective from 1st January, 2013)

The Group will adopt the above new and amended standards and amendments as and when they become effective. The Group has already commenced the assessment of the impact to the Group and is not yet in a position to state whether these would have a significant impact on its results of operations and financial position.

3. SEGMENT INFORMATION

(a) Segment information by business lines

The chief operating decision maker (the "CODM") has been identified as the Executive Directors and senior management. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The CODM considers the business from a business perspective, including property investment and development, sale of goods and services, securities investment and trading, cemetery and others (including hotel operation). The CODM assesses the performance of the operating segments based on a measure of segment result.

The segment information by business lines is as follows:

	Property investment and development *HK$'000*	Sale of goods and services *HK$'000*	Securities investment and trading *HK$'000*	Cemetery *HK$'000*	Others and corporate *HK$'000*	2013 Total *HK$'000*
Revenues	713,373#	361,564	19,178	6,230	–	1,100,345
Other income and net gain	25,004	19,580	–	8	21,038	65,630
Operating profit/(loss)	1,456,492	(43,198)	19,178	(6,352)	(159,589)	1,266,531
Finance costs	(43,781)	(3,896)	–	–	–	(47,677)
Share of results of associated companies	49	–	–	–	(449)	(400)
Share of result of a jointly controlled entity	(29)	–	–	–	–	(29)
Profit/(loss) before taxation	1,412,731	(47,094)	19,178	(6,352)	(160,038)	1,218,425
Taxation (charge)/credit	(79,537)	(567)	–	636	69	(79,399)
Profit/(loss) for the year	1,333,194	(47,661)	19,178	(5,716)	(159,969)	1,139,026
Segment assets	9,767,869	481,499	247,745	680,507	1,609,165	12,786,785
Associated companies	2,697	–	–	–	7,522	10,219
Jointly controlled entity	–	–	–	–	–	–
Amount due from a jointly controlled entity	61,138	–	–	–	–	61,138
Total assets	9,831,704	481,499	247,745	680,507	1,616,687	12,858,142
Total liabilities	3,577,760	111,247	–	177,342	148,431	4,014,780
Other segment items are as follows:						
Capital expenditure	694,883	11,697	–	6,834	6,689	720,103
Depreciation	4,525	29,708	–	744	12,578	47,555
Amortisation of leasehold land and land use rights						
– charged to income statement	32	2,557	–	73	–	2,662
– capitalised into properties	4,000	–	–	–	–	4,000
Write off of trade debtors	21	2,366	–	–	–	2,387
Recovery of trade debtors written off	952	1,414	–	–	–	2,366
Impairment of properties for/under development	759	–	–	–	–	759
Impairment of properties for sale	2,000	–	–	–	–	2,000
Impairment of inventories	–	617	–	–	–	617
Impairment of other deposits	4,000	–	–	–	–	4,000

	Property investment and development HK$'000	Sale of goods and services HK$'000	Securities investment and trading HK$'000	Cemetery HK$'000	Others and corporate HK$'000	2012 Total HK$'000
Revenues	1,923,897#	310,506	(33,869)	6,594	–	2,207,128
Other income and net gain	51,534	10,940	–	18	172,654	235,146
Operating profit/(loss)	1,424,961	(40,320)	(33,869)	(15,129)	(1,455)	1,334,188
Finance costs	(45,740)	(342)	–	–	(8,549)	(54,631)
Share of results of associated companies	274	(6,928)	–	–	3,487	(3,167)
Share of result of a jointly controlled entity	(35)	–	–	–	–	(35)
Profit/(loss) before taxation	1,379,460	(47,590)	(33,869)	(15,129)	(6,517)	1,276,355
Taxation (charge)/credit	(226,542)	2,151	–	2,818	3	(221,570)
Profit/(loss) for the year	1,152,918	(45,439)	(33,869)	(12,311)	(6,514)	1,054,785
Segment assets	8,023,607	496,917	330,494	666,116	1,668,600	11,185,734
Associated companies	2,699	–	–	–	7,970	10,669
Jointly controlled entity	–	–	–	–	–	–
Amount due from a jointly controlled entity	58,685	–	–	–	–	58,685
Total assets	8,084,991	496,917	330,494	666,116	1,676,570	11,255,088
Total liabilities	3,119,149	119,167	3,500	175,975	118,580	3,536,371
Other segment items are as follows:						
Capital expenditure	610,897	9,144	–	252	9,613	629,906
Depreciation	4,444	21,063	–	492	9,833	35,832
Amortisation of leasehold land and land use rights						
– charged to income statement	193	2,775	–	54	–	3,022
– capitalised into properties	4,000	–	–	–	–	4,000
Write off of trade debtors	967	1,669	–	–	–	2,636
Impairment of property, plant and equipment	–	2,623	–	–	–	2,623
Impairment of inventories	–	1,119	–	–	–	1,119
Impairment of other deposits	34,955	–	–	–	–	34,955

The amounts include sales of properties under development and land use rights for sale in the People's Republic of China (the "PRC") of HK$34.0 million (2012: HK$818.9 million).

(b) Geographical segment information

The business of the Group operates in different geographical areas. Revenues are based on the country in which the customer is located. Non-current assets, total assets and capital expenditure are based on the country where the assets are located. The segment information by geographical area is as follows:

	Revenues		Capital expenditure	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**232,590**	425,700	**202,136**	208,947
The PRC	**520,627**	1,484,554	**457,654**	383,245
Other countries	**347,128**	296,874	**60,313**	37,714
	1,100,345	2,207,128	**720,103**	629,906

	Non-current assets *(Note)*		Total assets	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**5,854,493**	4,638,633	**8,121,382**	6,974,598
The PRC	**1,255,540**	1,147,743	**3,957,915**	3,596,739
Other countries	**485,648**	478,318	**778,845**	683,751
	7,595,681	6,264,694	**12,858,142**	11,255,088

Note: Non-current assets in geographical segment represent non-current assets other than available-for-sale financial assets and loans and receivables.

4. OTHER INCOME AND NET GAIN

	2013	2012
	HK$'000	*HK$'000*
Interest income from		
Bank deposits	**19,972**	26,308
Loans and receivables	**557**	740
Dividend income from available-for-sale financial assets	**977**	1,954
Sale of scraped material	**3,899**	3,144
Recovery of trade debtors written off	**2,366**	–
Compensation for late delivery of land use right	**–**	2,923
Forfeited deposits from sales of properties	**–**	1,472
Negative goodwill arising from the purchase of a subsidiary	**–**	290,570
Loss on remeasurement of previously held equity interest in an associated company	**–**	(135,560)
Gain on transfer of properties from properties for sale to investment properties	**18,413**	–
(Loss)/gain on disposal of investment property	**(41)**	38,160
Net gain/(loss) on disposal of property, plant and equipment	**4,916**	(161)
Gain on disposal of available-for-sale financial assets	**4,179**	237
Net exchange loss	**(1,096)**	(5,043)
Sundries	**11,488**	10,402
	65,630	235,146

5. OPERATING PROFIT

	2013	2012
	HK$'000	*HK$'000*
Operating profit is stated after crediting:		
Dividend income from listed investments	**3,024**	2,497
Interest income of financial assets at fair value through profit or loss	**1,497**	1,500
Net realised gain of financial assets at fair value through profit or loss	**72,251**	22,825
Fair value gain on derivative financial instruments	**3,500**	–
and after charging:		
Cost of properties sold	**321,703**	844,440
Cost of inventories sold	**231,482**	238,281
Depreciation	**47,555**	35,832
Amortisation of leasehold land and land use rights	**2,662**	3,022
Write off of trade debtors	**2,387**	2,636
Impairment of property, plant and equipment	**–**	2,623
Impairment of properties for/under development	**759**	–
Impairment of properties for sale	**2,000**	–
Impairment of inventories	**617**	1,119
Impairment of other deposits	**4,000**	34,955
Fair value loss of financial assets at fair value through profit or loss	**61,094**	57,191
Fair value loss on derivative financial instruments	**–**	3,500
Staff costs, including Directors' emoluments		
Wages and salaries	**181,357**	168,247
Retirement benefit costs	**5,190**	4,862

6. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Interest expenses		
Bank borrowings wholly repayable within five years	**36,770**	23,926
Bank borrowings wholly repayable after five years	**19,154**	28,904
Bank overdraft wholly repayable within five years	**269**	342
Convertible note wholly repayable within five years	**6,826**	4,660
	63,019	57,832
Amount capitalised into		
Properties for/under development	**(1,208)**	(1,414)
Properties for sale	**(7,308)**	(1,787)
Cemetery assets	**(6,826)**	–
	(15,342)	(3,201)
	47,677	54,631

The above analysis shows the finance costs in accordance with the agreed scheduled repayment dates set out in the agreements. The capitalisation rates applied to funds borrowed for the development of properties range from 2.95% to 6.15% (2012: 1.50% to 5.85%) per annum, whereas the capitalised effective rate for cemetery assets is 14.86% (2012: N/A) per annum.

7. TAXATION

	2013	2012
	HK$'000	*HK$'000*
Current taxation		
Hong Kong profits tax	**24,009**	6,000
Overseas profits tax	**419**	93
PRC corporate income tax	**23,750**	107,170
PRC land appreciation tax	**29,482**	129,972
Deferred taxation	**1,739**	(21,665)
	79,399	221,570

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits for the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates. PRC land appreciation tax is levied at the progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land and development expenditures.

Share of taxation credit of associated companies for the year ended 31st March, 2013 amounting to HK$68,000 (2012: taxation charge of HK$282,000) is included in the income statement as share of results of associated companies. There is no taxation charge/credit of the jointly controlled entity for the year ended 31st March, 2013 (2012: Nil).

8. DIVIDENDS

	2013	2012
	HK$'000	*HK$'000*
Interim scrip dividend with a cash option of 2.0 HK cents (2012: 2.0 HK cents) per share	**33,050**	31,597
Proposed final scrip dividend with a cash option of 3.0 HK cents (2012: 3.5 HK cents) per share	**50,417**	55,750
	83,467	87,347

On 27th June, 2013, the Board of Directors proposed a final scrip dividend with a cash option of 3.0 HK cents (2012: 3.5 HK cents) per share amounting to HK$50,417,000 (2012: HK$55,750,000). The amount of HK$50,417,000 is calculated based on 1,680,550,531 issued shares as at 27th June, 2013. This proposed dividend is not reflected as a dividend payable in the financial statements, but will be reflected and accounted for as an appropriation of reserves in the year ending 31st March, 2014 upon the approval by the shareholders.

9. EARNINGS PER SHARE

The calculation of the earnings per share is based on the profit attributable to equity holders of HK$1,147,641,000 (2012: HK$901,313,000) and the weighted average number of 1,619,158,971 (2012: 1,579,186,093) shares in issue during the year.

The diluted earnings per share is equal to the basic earnings per share since there are no dilutive potential shares in issue during the years and the convertible notes issued by a subsidiary are anti-dilutive.

10. DEBTORS AND PREPAYMENTS

Rental income and management fees are received in advance whereas receivables from cemetery operation are settled in accordance with the terms of respective contracts. Credit terms of sales of goods mainly ranged from 30 days to 90 days. The aging analysis of the trade debtors of the Group is as follows:

	2013	2012
	HK$'000	*HK$'000*
Below 30 days	**63,215**	44,948
31 to 60 days	**20,322**	19,790
61 to 90 days	**12,184**	13,186
Over 90 days	**26,622**	24,651
	122,343	102,575

Debtors and prepayments include net deposits of HK$394,583,000 (2012: HK$392,459,000) for property development projects and acquisition of properties and leasehold land and land use rights in Hong Kong, the PRC and Vietnam after the impairment of HK$4,000,000 (2012: HK$34,955,000) provided for the year.

11. CREDITORS AND ACCRUALS

The aging analysis of the trade creditors of the Group is as follows:

	2013	2012
	HK$'000	*HK$'000*
Below 30 days	**33,872**	26,876
31 to 60 days	**7,549**	11,163
Over 60 days	**10,331**	15,980
	51,752	54,019

Other creditors and accruals include the construction cost payables and accruals of HK$92,537,000 (2012: HK$127,409,000) for the property development projects of the Group.

12. FINANCIAL GUARANTEES

As at 31st March, 2013, the Company has provided a guarantee of HK$117,000,000 (2012: HK$117,000,000) for the banking facility granted to a jointly controlled entity, and subsidiaries have provided guarantees amounting to HK$443,160,000 (2012: HK$351,573,000) to banks for mortgage loans made by the banks to the purchasers of properties sold by the subsidiaries in the PRC.

13. COMMITMENTS

As at 31st March, 2013, the Group has commitments contracted but not provided for in respect of property development projects and property, plant and equipment amounting to HK$421,266,000 (2012: HK$560,027,000).

14. PLEDGE OF ASSETS

As at 31st March, 2013, the Group has pledged certain assets including property, plant and equipment, investment properties, leasehold land and land use rights, properties for sale and bank deposits, with an aggregate carrying value of HK$6,758,028,000 (2012: HK$4,930,105,000), to secure general banking and financial guarantee facilities granted to those subsidiaries. As at 31st March, 2012, the Group had also pledged certain financial assets at fair value through profit or loss of HK$57,707,000 for the commitments to purchase certain listed securities in Hong Kong.

15. SUBSEQUENT EVENT

On 27th May, 2013, a wholly-owned subsidiary (the "Vendor") of Chuang's China Investments Limited, a listed subsidiary of the Group, entered into an agreement with an independent third party (the "Purchaser") to dispose of its investment in a wholly-owned subsidiary at the consideration of HK$1. The Vendor will also execute a tax indemnity deed in favour of the Purchaser (the "Indemnity") subject to a cap of approximately RMB48.8 million (equivalent to approximately HK$61.8 million) for a period of two years from the date of completion of the disposal which will be on or before 31st August, 2013. The estimated net gain expected to accrue to the Group as a result of the completion of the disposal would be approximately RMB18.0 million (equivalent to approximately HK$22.8 million). In the event that the Indemnity is not called upon, the maximum additional gain expected to accrue to the Group would be approximately RMB27.8 million (equivalent to approximately HK$35.2 million). Details of the transaction were set out in the announcement of the Company on 27th May, 2013.

The figures in respect of the preliminary announcement of the Group's results for the year ended 31st March, 2013 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

FINANCIAL REVIEW

For the year ended 31st March, 2013, revenues of the Group amounted to HK$1,100.3 million (2012: HK$2,207.1 million), representing a decrease of 50.1% compared to that of the last year. This was mainly due to the lower level of property sales recognised by the Group during the year under review. Revenues of the Group comprised income from sales of properties of HK$565.8 million (2012: HK$1,780.7 million), income from rental of investment properties of HK$147.5 million (2012: HK$143.2 million), income from sales of goods and services of HK$361.6 million (2012: HK$310.5 million), income from sales of grave plots and niches of HK$6.2 million (2012: HK$6.6 million) and income from securities investment and trading business of HK$19.2 million (2012: loss of HK$33.9 million).

As a result of the decrease in revenues generated from the sales of properties, gross profit of the Group during the year decreased to HK$433.8 million (2012: HK$1,064.7 million). Other income and net gain decreased to HK$65.6 million (2012: HK$235.1 million) mainly due to the absence of an one-off non-recurring net gain recorded in the last corresponding year relating to the negative goodwill arising from the acquisition of Midas International Holdings Limited ("Midas") as a subsidiary of the Group after netting off the loss on deemed disposal of Midas as an associated company of the Group. A breakdown of other income and net gain is shown in note 4 on page 7 of this report. Furthermore, the Group also recorded an upward revaluation surplus of HK$1,199.1 million (2012: HK$515.7 million) for its investment properties, reflecting the continued improvement in property prices in Hong Kong during the year under review.

On the costs side, selling and marketing expenses decreased to HK$73.3 million (2012: HK$90.8 million) mainly due to the decrease in level of property sales. Administrative and other operating expenses decreased to HK$358.6 million (2012: HK$390.6 million) as a result of effective costs control by the Group. Finance costs decreased to HK$47.7 million (2012: HK$54.6 million) as a result of increased capitalisation of interest expenses, details of which are shown in note 6 on page 8 of this report. Share of loss of associated companies and a jointly controlled entity amounted to HK$0.4 million (2012: HK$3.2 million). Taxation amounted to HK$79.4 million (2012: HK$221.6 million) mainly relating to tax on sales of properties.

Taking all the above into account, profit attributable to equity holders of the Company for the year ended 31st March, 2013 amounted to HK$1,147.6 million (2012: HK$901.3 million), representing an increase of 27.3% compared with that of the last year. Earnings per share was 70.88 HK cents (2012: 57.07 HK cents).

DIVIDENDS

After taking into account the need to maintain sufficient financial resources for working capital of the Group's projects and businesses, the Board of Directors has resolved to recommend for the shareholders' approval at the forthcoming annual general meeting of the Company (the "AGM") the payment of a final dividend of 3.0 HK cents (2012: 3.5 HK cents) per share for the year ended 31st March, 2013. The final dividend, if approved, will be paid on or before 18th November, 2013 by allotment of new shares with a cash option to the shareholders whose names appear on the Company's register of members on 3rd October, 2013.

Subject to the Listing Committee of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting listing of and permission to deal in the new shares to be issued pursuant to the scrip dividend scheme, new share entitlements will be calculated by reference to the par value of the shares of the Company, being HK$0.25, or the average of the closing prices on the Stock Exchange of the shares of the Company for the five consecutive trading days up to and including 3rd October, 2013, whichever is higher. A circular giving full details of the scrip dividend scheme and a form of election will be sent to the shareholders as soon as practicable.

An interim dividend of 2.0 HK cents (2012: 2.0 HK cents) per share has been paid in respect of the current financial year. Total dividends for the year, therefore, will amount to 5.0 HK cents (2012: 5.5 HK cents) per share. Total dividends for the year will amount to HK$83.5 million (2012: HK$87.3 million).

BUSINESS REVIEW

(A) Hong Kong Property Division

All the property activities of the Group in Hong Kong are conducted through Chuang's Properties Limited, a wholly-owned subsidiary of the Group.

(i) Investment Properties

Major investment properties of the Group in Hong Kong during the year comprise (a) Chuang's London Plaza in Tsim Sha Tsui, (b) Chuang's Tower in Central, (c) Chuang's Hung Hom Plaza in Hunghom (which is now under conversion into a hotel), (d) House A, No. 37 Island Road in Deep Water Bay and (e) No. 15 Gough Hill Road in The Peak (which is now under redevelopment). The total gross area of the Group's investment property portfolio in Hong Kong during the year amounted to about 340,000 *sq. ft.* comprising retail, office, high-class residential and carparking spaces. It has been the policy of the Group to continue to upgrade the quality of our investment properties and reshuffle the tenant mix so as to enhance the quality of our tenants. As a result of such policy and our effort to provide quality management services, occupancy rate of our investment properties maintained at high level throughout the year. Rental and other income from investment properties in Hong Kong during the year amounted to HK$118.3 million, representing a slight decrease of 2.0% compared with that of the last year, and this was mainly due to the vacation of relevant units in Chuang's Hung Hom Plaza since the fourth quarter of 2012 to pave way for the conversion of the property into a hotel. Had the rental from Chuang's Hung Hom Plaza been excluded, rental and other income from the remaining investment properties in Hong Kong during the year showed a 6.8% increase over that of the last year.

It is anticipated that rental and other income from investment properties of the Group in Hong Kong for the financial year ending 2014 will be reduced as a result of the conversion works at Chuang's Hung Hom Plaza. However, the Group will mitigate such reduction by improving rental yield of other investment properties in Hong Kong and, furthermore, we believe that with the completion of the conversion works at Chuang's Hung Hom Plaza and the completion of the project at No. 15 Gough Hill Road, income from our investment properties in Hong Kong will show a healthy and sustainable growth.

(ii) Investment Properties Under Conversion/Development

(a) Chuang's Hung Hom Plaza, No. 83 Wuhu Street, Hunghom, Kowloon (100% owned)

The property was a commercial/office building. Rezoning has been obtained from the Town Planning Board to permit the property to be operated as hotel. The Group has been conducting feasibility studies and is of the opinion that income from the property after the conversion will be significantly enhanced. Accordingly, the Group has obtained approval from the Buildings Department to convert the property into a hotel with 399 rooms together with shopping units at the ground floor and first floor levels. As at the date of this report, conversion works have been commenced and are expected to be completed in the second quarter of 2014.

(b) No. 15 Gough Hill Road, The Peak, Hong Kong (100% owned)

The property is in the process of being developed into a single house with unique architectural design. Demolition works are almost completed. Tendering of the site formation and foundation works is underway and is targeted to be finalised shortly. In view of the limited supply of this type of luxurious property in that area, it is expected that rental and capital value of the property will be significantly enhanced upon completion of the development.

(iii) Properties Under Development/Held For Sale

During the year, property sales in Hong Kong amounted to HK$63.5 million which were related to the sales of the remaining residential and shopping units in Wuhu Residence in Hunghom. Progress of the other major development projects is as follows:

(a) Parkes Residence, No. 101 Parkes Street, Jordan, Kowloon (100% owned)

The property is located next to the Jordan Station of the mass transit railway and will be developed into a commercial/residential building comprising 114 fully furnished studio apartment units with clubhouse facilities and shopping units at podium level (G/F to 2/F) having a total gross floor area ("GFA") of about 44,000 *sq. ft.*. Site formation and foundation works are in progress and the project is expected to be completed in the third quarter of 2015. Pre-sale of the project was launched in March 2013. Up to the date of this report, 41 residential units and the shopping unit at the first and second floor levels have been pre-sold with an aggregate sales value of HK$449.7 million, and deposits of about HK$36 million have been received.

(b) Villa 28 and Villa 30, Po Shan Road, Hong Kong (50% owned)

The Group owns a 50% interest in the project and is the project manager of the development. The property is located in a prestigious mid-level area that enjoys a glamorous sea-view. Building plans have been approved to develop the property into two semi-detached residences with GFA of about 40,365 *sq. ft.*. In the 2013 Policy Address, the Chief Executive had indicated that, in order to increase the supply of housing land in the short to medium term, the Government will actively consider relaxing or lifting a moratorium currently in force which restricts the modification of lease at the mid-level area. In light of this new development, the Group has engaged consultants to review the situation with a view to maximise the development potential of this project.

(B) International Property Division

All the property activities of the Group in Malaysia, Vietnam, Taiwan and Mongolia are conducted through Chuang's Properties International Limited, a wholly-owned subsidiary of the Group.

(i) Malaysia

Central Plaza, Jalan Sultan Ismail, Kuala Lumpur (100% owned)

Central Plaza, located in the heart of central business district and prestigious shopping area of Kuala Lumpur, is owned by the Group for investment purpose. The property has a total GFA of 380,000 *sq. ft.* of retail, office and carparking spaces. In order to enhance the yield, the Group has recently completed the conversion of one level of carpark into office use resulting in an increase in office space by about 10,907 *sq. ft.*. During the year, rental and other income from this property amounted to HK$20.5 million, representing an increase of 1.5% over that of the last year.

(ii) Vietnam

(a) Greenview Garden, Thu Duc District, Ho Chi Minh City (100% owned)

During the year, the Group had acquired from the joint venture partner the remaining 30% interest in the project and thus this project is currently wholly-owned by the Group. Investment licence and land use rights of this project have been obtained and the Group has settled the land premium in relation to the conversion of the land use of the project into commercial/residential usage. This project covers a site area of 20,300 *sq. m.* and it is planned that a commercial/residential complex with GFA of about 94,000 *sq. m.* will be developed on the site.

(b) Duc Hoa District, Long An Province

The Group had participated in a 70% interest in the project pursuant to a heads of agreement entered into between the Group and the joint venture partner. The Group has fulfilled its obligation in advancing capital for the project but, despite repeated negotiations and demands, the joint venture partner has still failed to fulfil its obligations by incorporating the joint venture company and contributing the land use rights of the project into the joint venture company. Accordingly, the Group has made an application to the Vietnam International Arbitration Centre ("VIAC") for specific performance pursuant to the terms of the agreement. On 2nd May, 2013, the Group was informed by the VIAC that an arbitral award against the joint venture partner was granted in favour of the Group. The arbitral award would enable the Group to take steps to demand the joint venture partner to carry out all necessary licensing procedures for the incorporation of the joint venture company, to obtain the investment licence for the joint venture company for the implementation of the project and to contribute the land use rights of the land site of the project under the joint venture partner's name to the joint venture company. The Group is now in the process of taking steps to enforce the arbitral award in accordance with local laws and regulations. The investment costs of the Group, after provision, in this project as at the balance sheet date amounted to about HK$90 million.

(iii) Taiwan

sáv Residence, Xinyi District, Taipei City (100% owned)

The project, located nearby the city centre of Taipei City, is a residential development comprising a villa and 6 apartment units. Superstructure and external finishing works have been completed. Application has been made to the relevant authorities in Taiwan for the issue of occupation permit. Marketing works of the project have been commenced.

(iv) Mongolia

(a) International Finance Centre, Chinggis Avenue, Sukhbaatar District, Ulaanbaatar (100% owned)

The project, which is wholly-owned by the Group, has a site area of about 3,272 *sq. m.* and is located within the central business district. It is planned that a retail/office building with GFA of about 39,120 *sq. m.* will be developed. Site formation and foundation works of the project are in progress. Pre-sale of the office portion of the project will commence soon.

(b) The Edelweiss Residence, Sukhbaatar District, Ulaanbaatar (53% owned)

The Group owns a 53% interest in the project that covers a site area of about 5,600 *sq. m.*. The project is located nearby the city centre and is within the embassy district. It is planned that two towers of apartments with a total GFA of about 41,000 *sq. m.* will be developed. Initial phase of the development with GFA of about 20,000 *sq. m.* will commence soon.

(C) People's Republic of China ("PRC") Property Division

All the property activities of the Group in the PRC are conducted through Chuang's China Investments Limited ("Chuang's China" and together with its subsidiaries as the "Chuang's China Group"), a 57% owned listed subsidiary of the Group. For the year ended 31st March, 2013, Chuang's China recorded revenues of HK$509.5 million and profit attributable to equity holders of HK$40.4 million.

(i) Property Development

The table below contains the list of existing major projects of the Chuang's China Group:

Locations	**Projects**	**Developable properties** *(GFA in sq. m.)*
Southern China		
Guangzhou	Chuang's Le Papillon (Block I to Block X)	279,000
Dongguan	Imperial Garden (Block 9 to Block 55)	423,000
Xiamen	sáv Resort & Spa	18,000
Sub-total		720,000
Northern China		
Anshan	Chuang's Mid-town	100,000
Anshan	Chuang's Plaza	390,000
Sub-total		490,000
TOTAL		1,210,000

The Chuang's China Group maintains a strong net cash position of about HK$700 million and will closely monitor the land market to replenish its land reserve in cities with focus on Shenzhen, Guangzhou, Xiamen, Beijing and Shanghai.

(a) Chuang's Le Papillon, Guangzhou, Guangdong (100% owned by Chuang's China)

Chuang's Le Papillon, enjoying the convenience of the nearby Route 4 Metro Station, is an integrated community with a total GFA of over 420,000 *sq. m.*, providing daily living commercial, luxurious club houses and abundant green and open spaces. Pursuant to new regulations issued by the Guangzhou Land Bureau, the local authorities charged additional land premium for property developments in Panyu district with plot ratio in excess of 1.8 times. As our project in this district has an approved plot ratio of 2.13, the Group has paid about RMB119 million as additional land premium during the year under review. Taking this into account, the average land cost of this project is about RMB1,200 per *sq. m.*.

Phase I comprises completed residential properties (Block A to E) of 113,400 *sq. m.*, providing 789 flats, commercial podium and club house with total GFA of 3,400 *sq. m.* and 255 carparking spaces.

Phase II (Block F, G, H, I, J, K, L, M, N and P) has an aggregate residential GFA of about 147,400 *sq. m.*, providing 1,288 flats and 22 villas, commercial podium and club house with total GFA of 5,380 *sq. m.* and 1,242 carparking spaces. Block F, G and H with total GFA of 33,900 *sq. m.* are completed properties and occupancy are handed over to buyers during the year under review. Construction works for Block I, J, K, L, M and N (total GFA of about 106,500 *sq. m.*) will be completed in the financial year 2014, whereas foundation works for Block P (22 villas of about 7,000 *sq. m.*) are in progress.

Phase III (Block Q, R, S, T, U, V and X) has total residential GFA of about 163,000 *sq. m.*, and Block W (GFA of 2,639 *sq. m.*) is for commercial use. Foundation works of Block Q and R with total GFA of 50,154 *sq. m.* have commenced.

Regarding the sales progress for phase I and II, Block A, C, D, E, F, G, H, I and M are virtually sold out at average selling price of about RMB8,000 per *sq. m.*. Sales of Block B which consists of 98 large-sized flats ranging from 202 *sq. m.* to 400 *sq. m.* were launched in April 2013. Presales of Block J and K are in progress and that for Block L and N will be launched in the coming months.

As of to-date, sales of this project which have not yet been recognised as revenues amounted to RMB589,170,000 (equivalent to approximately HK$745,094,000), of which about RMB437,281,000 (equivalent to approximately HK$553,007,000) are expected to be recognised as revenues in the year ending 31st March, 2014 when these sales are completed and the remaining RMB151,889,000 (equivalent to approximately HK$192,087,000) are expected to be recognised as revenues in the year ending 31st March, 2015.

The sales target of unsold residential properties for Chuang's Le Papillon in the financial year ending 2014 amounted to about RMB944 million as follows:

			Sales target	
			2013/14	**2014/15 and beyond**
		sq. m.	*RMB*	*RMB*
Phase I	Block A,B,C,D,E	22,294	180,837,000	
Phase II	Block F,G,H,I,J,K,L,M,N,P	60,728	763,462,000	
Phase III	Block Q,R,S,T,U,V,X	163,000		1,514,695,000
TOTAL		**246,022**	**944,299,000**	**1,514,695,000**

(b) Imperial Garden, Chuang's New City, Dongguan, Guangdong (100% owned by Chuang's China)

Chuang's New City is well equipped with ancillary facilities such as club house, kindergarten, sports arena and shopping mall to meet residents' pursuit of a refined lifestyle. The project has a total GFA of about 520,000 *sq. m.*, comprising 95,700 *sq. m.* of completed properties and 423,000 *sq. m.* for development. The average land cost of the project is about RMB660 per *sq. m.*.

Phase I consists of 8 completed residential towers totaling about 89,000 *sq. m.* in GFA, a modern commercial shopping complex of about 6,666 *sq. m.* and 184 carparking spaces. Block 1 to Block 8 comprise 665 apartments with size ranging from 80 *sq. m.* to 160 *sq. m.*, 27 executive duplex of about 280 *sq. m.* and 3 simplex of 445 *sq. m.*. Up to date, a total of 614 flats have been sold at an average selling price of about RMB5,300 per *sq. m.*.

Phase II comprises Block 9 to Block 14 providing 6 residential towers (total GFA of 61,272 *sq. m.*) with flats size ranging from 56 *sq. m.* to 127 *sq. m.*. Foundation works for Block 9 to Block 14 were completed. Superstructure works for Block 9 to Block 11 have commenced. Marketing and presales of Block 9 to Block 11 will be launched in the third quarter of this year.

The Group will embark on Phase III development plan of Block 15 to Block 55 comprising GFA of about 356,000 *sq. m.* in accordance with local market sentiments and sales progress.

As of to-date, sales of this project which have not yet been recognised as revenues amounted to RMB27,273,000 (equivalent to approximately HK$34,491,000) and are expected to be recognised as revenues in the year ending 31st March, 2014 when these sales are completed.

The sales target of unsold residential properties for Imperial Garden in the financial year ending 2014 amounted to about RMB276 million as follows:

			Sales target	
			2013/14	**2014/15 and beyond**
		sq. m.	*RMB*	*RMB*
Phase I	Block 1 to 8	10,734	90,288,000	
Phase II	Block 9 to 14	61,272	186,000,000	186,000,000
Phase III	Block 15 to 55	356,000		3,844,663,000
TOTAL		**428,006**	**276,288,000**	**4,030,663,000**

(c) sáv Resort & Spa, Xiamen, Fujian (59.5% owned by Chuang's China)

Our luxurious hotel and resort development occupies a site with an area of about 27,574 *sq. m.*. Focusing on a low density development, the project has 18,000 *sq. m.* in GFA and stands out in its master planning, architectural and landscape design.

Superstructure works are expected to be completed in July 2013, while interior and fitting out works will be followed closely. Within this development, 27 villas with aggregate GFA of about 8,400 *sq. m.* will be rented out on long lease. An exclusive resort with 80 keys and 3 private pool villas (total GFA of 9,600 *sq. m.*) will be operated as hotel and resort. There are nice landscape gardening and big body water in the centre of private villas. Through the use of waterways (including waterfalls, cascades and infinity pool concept with pavilions), gardens, landscapes and colors will be incorporated. Its accommodation options include open suites and spacious villas overlooking the glamorous water feature.

(d) Chuang's Mid-town, Anshan, Liaoning (100% owned by Chuang's China)

Situated right next to the Anshan rail station, this site is located at the core city centre of Tie Dong Qu (鐵東區). The development will provide integrated community with residential, shopping areas, specialty business activities, SOHO and office space with total GFA of about 100,000 *sq. m.*. Master planning for the project has been approved by the relevant PRC bureau. Works for excavation and lateral support have been completed and foundation works are in progress. Marketing of the project will commence in July 2013.

(e) Chuang's Plaza, Anshan, Liaoning (100% owned by Chuang's China)

Adjacent to Chuang's Mid-town, the second site acquired by the Group is located in the prime city centre of Tie Dong Qu (鐵東區). The site has already been delivered by the local government. With developable GFA of 390,000 *sq. m.*, the site will provide a mega integrated development including office towers, retail, food and beverage and entertainment facilities together with residential blocks. Master planning for the project is in progress.

(f) Beverly Hills, Changsha, Hunan (54% owned by Chuang's China)

Beverly Hills has total GFA of about 80,200 *sq. m.*. It comprises 172 low-rise villas and 144 high-rise flats with total GFA of 70,000 *sq. m.*. Commercial and SOHO properties have a total GFA of about 10,200 *sq. m.*. Portion of the properties has been sold and properties remain available for sales have a total book costs of about HK$124 million. As at 31st March, 2013, the total investment costs of the Chuang's China Group in this project amounted to about HK$79 million. As the 10-year operating license of the joint venture company in the PRC has expired, the Group is taking advice from consultants, including legal advisers, as to the next courses of action which may include dissolution of this joint venture company.

(ii) Property Sales

For the financial year ended 31st March, 2013, property sales of the Group in the PRC amounted to HK$485.6 million. In the coming financial years, the Group will actively launch our projects in Guangzhou, Dongguan, Xiamen and Anshan for sales. The total sales value of these projects amounts to over HK$10 billion.

(D) Midas

Midas is listed on the Stock Exchange and is 60.8% owned by the Group. Midas and its subsidiaries are principally engaged in printing business and property business focusing on the operation of cemetery in the PRC. For the year ended 31st March, 2013, Midas recorded revenues of HK$277.7 million (of which HK$271.5 million was from the printing business and HK$6.2 million was from the cemetery business) and loss attributable to equity holders of HK$46.8 million.

(i) Printing Business

In the sales aspects, during the year, the staggering worldwide economy and the deepening of European sovereign debt crisis adversely dampened the printing demand and printing orders from both the United States of America and Europe were generally weak and unstable. However, this overall decline in printing orders accelerated the consolidation within the printing industry. More and more small printing service providers were going out of business as multinational publishers were seeking quality printing partner with established reputation. This trend is continuing and has benefitted Midas since the first quarter of 2013. Incoming orders for the first five months ended May 2013 grew by 17.1% on a year-to-year basis. The Group is optimistic that such a phenomenon will continue in the near future.

In the costs aspects, in Southern China, minimum wages were rising throughout the region which increased operating costs of the whole manufacturing industry. At the same time the price of raw materials remained at a high level. All these factors affected the operating performance of the printing industry. In response, Midas has continued to improve cost effectiveness through automation enhancement and rigorous cost monitoring. All these measures have improved and will continue to improve the profit margin of the printing segment.

Since the year of 2010, Midas has substantially scaled down its operations in Changan, Dongguan and relocated most of the production facilities to the factory in Yuanzhou, Huizhou. The Changan factory is located near the city centre of the Changan town and its surrounding area is well developed and occupied by premium residential and commercial buildings. The local government is considering to rezone and develop the nearby area into an integrated commercial and residential district. Midas is supportive of the government rezoning plan and believes that once this plan is materialised, this will further enhance the value of the Changan factory site.

(ii) Property Business – Cemetery Operation

The cemetery in Sihui comprises a site of 518 mu, of which 100 mu have commenced development, and an adjacent site of 4,482 mu has been reserved, making up a total of 5,000 mu.

In the marketing aspects, in order to achieve steady sales growth in the coming years, Midas will continue to expand its marketing network mainly in the Guangdong Province, the PRC. Furthermore, Midas is negotiating with some Fengshui masters in the PRC for joint promotion so as to enhance the cemetery awareness and attract more customers. Midas is also negotiating with local government to establish a martyr memorial cemetery to commemorate martyrs who sacrificed their lives for the country. This can attract people to pay tribute and remembrance to the martyrs, so as to enhance awareness of the cemetery and improve its marketability in the long run.

In the development aspects, during the year, Midas has completed a further of 421 grave plots on a piece of vacant land within the existing 100 mu land, making total grave plots available for sales increased to 1,563 grave plots. In addition, in order to further enhance the value of the cemetery, Midas is planning to build an additional 2,305 grave plots on the existing 100 mu land. In anticipation of the further growing demand towards prestigious grave plots in the next decade, Midas has commenced negotiation with the local government with a view to obtain approval within the 418 mu land for expansion by phases. In this respect, the local government has approved in principle to grant certain area within the 418 mu land for further expansion. At the same time Midas has conducted a site survey for the whole 418 mu land and once formal approval is obtained from the local government, Midas will carry out further construction works thereon.

(E) Other Businesses

(i) Sintex Nylon and Cotton Products (Pte) Limited ("Sintex")

Sintex is engaged in the sale of home finishing products under its own brand names in Singapore and is 88.2% owned by the Group. During the year, Sintex generated revenues of HK$74.9 million (2012: HK$74.1 million) and recorded a net profit of HK$3.2 million.

(ii) Securities Investment and Trading

During the year, securities investment and trading business of the Group recorded a profit of HK$19.2 million, comprising realised gain on disposal of investments of HK$72.3 million, fair value gain on derivative financial instruments of HK$3.5 million, dividend and interest income from investments of HK$4.5 million and fair value loss of investments of HK$61.1 million as a result of mark to market valuations as at the year end date. As at 31st March, 2013, the Group held quoted investments with market value of HK$247.7 million, mainly comprising of securities listed on the Stock Exchange, and the Group did not have any outstanding derivative financial instrument.

FINANCIAL POSITIONS

As at 31st March, 2013, net assets attributable to equity holders of the Company was HK$7,378.1 million. Net asset value per share was approximately HK$4.39, which is calculated based on the book costs of the Group's properties for sale before taking into account their appreciated values.

As at 31st March, 2013, the Group's cash and bank balances (including pledged bank balances) and quoted investments amounted to HK$2,081.3 million (2012: HK$2,220.7 million). Bank borrowings as at the same date amounted to HK$2,557.8 million (2012: HK$2,335.7 million). The Group's net debt to equity ratio, expressed as a percentage of bank borrowings net of cash and bank balances and quoted investments over net assets attributable to equity holders of the Company, was 6.5% (2012: 1.8%).

Approximately 67.2% of the Group's cash and bank balances and quoted investments were denominated in Hong Kong dollar, 11.0% in United States dollar, 21.3% in Renminbi and the balance of 0.5% in other currencies such as Malaysian Ringgit and Singapore dollar. Approximately 82.0% of the Group's bank borrowings were denominated in Hong Kong dollar, 10.7% in Renminbi and the balance of 7.3% in Malaysian Ringgit. Accordingly, there should not be material risk in foreign exchange fluctuation.

Based on the agreed scheduled repayment dates in the loan agreements and ignoring the effect of any repayment on demand clause, approximately 16.2% of the Group's bank borrowings are repayable within the first year, 4.1% repayable within the second year, 50.1% repayable within the third to fifth years and the balance of 29.6% repayable after the fifth year.

PROSPECTS

In order to cool down the property markets, the Hong Kong SAR Government and the Central Government have implemented a number of regulatory measures during the year to curb speculative activities. Undoubtedly, these measures have negative impact on the property markets in Hong Kong and the PRC in the short term. Given these uncertainties, the Group will monitor the situation closely and will be cautious and selective in making new investments.

Despite the above, in the coming financial years, the Group will continue our mission to take steps to further enhance rental yield of our investment properties and thus their capital values, and to unlock the store values of our property projects in Hong Kong, the PRC and elsewhere in the region by speeding up their development and sales in accordance with market conditions so as to further create value for our shareholders.

CLOSING OF REGISTER

The AGM of the Company is scheduled on Thursday, 19th September, 2013. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 16th September, 2013 to Thursday, 19th September, 2013, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Standard Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 13th September, 2013.

The proposed final dividend is subject to the approval of the shareholders of the Company at the AGM. The record date for entitlement to the proposed final dividend is Thursday, 3rd October, 2013. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 26th September, 2013 to Thursday, 3rd October, 2013, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Standard Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 25th September, 2013.

STAFF

The Group puts emphasis on training and cultivating elite talent. We are committed to providing a dynamic and enthusiastic working atmosphere and increase hiring talents of all fields. As at 31st March, 2013, the Group (excluding Chuang's China, Midas and their subsidiaries) employed 247 staff, the Chuang's China Group employed 516 staff and the Midas group employed 1,747 staff. The Group provides its staff with other benefits including discretionary bonus, contributory provident fund, share options and medical insurance. Staff training is also provided as and when required.

DEALING IN THE COMPANY'S SECURITIES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed shares during the year.

CORPORATE GOVERNANCE

Due to other commitments, an independent non-executive director had not attended the 2012 annual general meeting of the Company pursuant to Code A.6.7 of the code provisions set out in Appendix 14 – Corporate Governance Code (the "CG Code") of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). Except as mentioned hereof, the Company has complied throughout the year ended 31st March, 2013 with the code provisions set out in the CG Code.

An audit committee has been established by the Company to review and supervise the Company's financial reporting process and internal controls and review the relationship with the auditor. The audit committee has held meetings in accordance with the relevant requirements and reviewed the results of the Group for the year ended 31st March, 2013. The current members of the audit committee are Mr. Abraham Shek Lai Him, Mr. Fong Shing Kwong and Mr. Yau Chi Ming, the Independent Non-Executive Directors of the Company.

The Company has also adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules. Having made specific enquiries of all Directors of the Company, the Company received confirmations from all Directors that they have complied with the required standard as set out in the Model Code.

PUBLICATION OF RESULTS ON THE STOCK EXCHANGE'S WEBSITE

The annual report of the Company for the year ended 31st March, 2013 containing all applicable information required by paragraph 45 of Appendix 16 of the Listing Rules will be published on the website of the Stock Exchange in due course.

By order of the Board of
Chuang's Consortium International Limited
Alan Chuang Shaw Swee
Chairman

Hong Kong, 27th June, 2013

As at the date of this announcement, Mr. Alan Chuang Shaw Swee, Mrs. Alice Siu Chuang Siu Suen, Mr. Ko Sheung Chi, Mr. Albert Chuang Ka Pun, Miss Candy Chuang Ka Wai, Mr. Lui Lop Kay, Mr. Wong Chung Wai and Mr. Chong Ka Fung are the Executive Directors of the Company, and Mr. Abraham Shek Lai Him, Mr. Fong Shing Kwong, Mr. Yau Chi Ming and Mr. David Chu Yu Lin are the Independent Non-Executive Directors of the Company.