COME SURE

Come Sure Group (Holdings) Limited
錦勝集團(控股)有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00794)

RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2013

GROUP RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Come Sure Group (Holdings) Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2013 as follows:

CONSOLIDATED INCOME STATEMENT
For the year ended 31 March 2013

	Note	2013 HK$'000	2012 HK$'000
Turnover	2	**766,711**	772,086
Cost of goods sold		**(607,738)**	(636,728)
Gross profit		**158,973**	135,358
Other income	3	**6,021**	4,042
Other gains and losses	4	**28,535**	(2,226)
Selling expenses		**(37,935)**	(36,379)
Administrative expenses		**(98,748)**	(84,300)
Other operating expenses		**(13,426)**	(2,680)
Share-based payments		**(167)**	(466)
Profit from operations		**43,253**	13,349
Finance costs	5	**(7,189)**	(3,139)
Profit before tax		**36,064**	10,210
Income tax expense	6	**(19,233)**	(2,732)
Profit for the year	7	**16,831**	7,478
Profit (loss) for the year attributable to:			
Owners of the Company		**20,143**	11,331
Non-controlling interests		**(3,312)**	(3,853)
		16,831	7,478
Earnings per share	9		
Basic		**HK5.56 cents**	HK3.43 cents
Diluted		**HK5.56 cents**	HK3.41 cents

* *For identification purposes only*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2013

	Note	**2013** **HK$'000**	2012 *HK$'000*
Profit for the year	*7*	**16,831**	7,478
Other comprehensive income:			
Exchange differences on translating foreign operations		**2,193**	17,427
Net gain (loss) from cash flow hedges		**66**	(66)
Other comprehensive income for the year		**2,259**	17,361
Total comprehensive income		**19,090**	24,839
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		**22,347**	27,988
Non-controlling interests		**(3,257)**	(3,149)
		19,090	24,839

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2013

	Note	**2013** **HK$'000**	2012 *HK$'000*
Non-current assets			
Prepaid lease payments		**58,016**	58,920
Property, plant and equipment		**255,528**	253,759
Investment properties		**182,500**	420
Goodwill		**23,113**	–
Intangible assets		**4,981**	–
Deposits paid for prepaid lease payments		**12,693**	12,645
Deposits paid for acquisition of property, plant and equipment		**10,027**	11,514
Deposits paid for acquisition of investment properties		**–**	7,849
Deposits paid for acquisition of subsidiaries		**–**	10,000
Available-for-sale investment		**3,542**	5,000
Financial assets designated as at fair value through profit or loss		**341**	–
Derivative financial instruments		**203**	824
Club membership		**366**	366
		551,310	361,297
Current assets			
Inventories		**89,508**	93,528
Trade and bills receivables	*10*	**195,567**	186,447
Deposits paid for acquisition of subsidiaries		**–**	20,000
Prepayments, deposits and other receivables		**26,977**	32,071
Amounts due from non-controlling shareholders		**24**	3
Amounts due from indemnifiers		**3,159**	–
Prepaid lease payments		**1,289**	1,280
Tax recoverable		**–**	11,113
Financial assets designated as at fair value through profit or loss		**67,133**	64,899
Derivative financial instruments		**462**	15
Held for trading investments		**3,725**	3,576
Pledged bank deposits		**20,984**	53,110
Time deposits of original maturity of more than three months		**–**	617
Bank and cash balances		**126,334**	102,276
		535,162	568,935

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
As at 31 March 2013

	Note	2013 HK$'000	2012 HK$'000
Current liabilities			
Trade and bills payables	11	**104,253**	111,986
Accruals and other payables		**71,215**	78,652
Amounts due to non-controlling shareholders		**11,770**	9,223
Short-term bank borrowings		**162,280**	109,816
Current tax liabilities		**9,437**	741
Derivative financial instruments		**–**	277
Current portion of long-term borrowings		**112,913**	28,345
Amount due to a director		**135**	–
		472,003	339,040
Net current assets		**63,159**	229,895
Total assets less current liabilities		**614,469**	591,192
Non-current liabilities			
Amounts due to non-controlling shareholders		**8,805**	11,304
Long-term borrowings		**16,513**	31,877
Deferred tax liabilities		**5,612**	5,573
Derivative financial instruments		**–**	141
		30,930	48,895
NET ASSETS		**583,539**	542,297
Capital and reserves			
Share capital		**3,623**	3,623
Reserves		**564,791**	522,933
Equity attributable to owners of the Company		**568,414**	526,556
Non-controlling interests		**15,125**	15,741
		583,539	542,297

NOTES

1. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

Amendments to HKFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to HKFRS 7	Financial Instruments: Disclosures — Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets

Amendments to HKAS 12 Deferred Tax: Recovery of Underlying Assets

The Group has applied for the first time the amendments to HKAS 12 *Deferred Tax: Recovery of Underlying Assets* in the current year. Under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 *Investment Property* are presumed to be recovered entirely through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The Group measures its investment properties using the fair value model. As a result of the application of the amendments to HKAS 12, the directors of the Company reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors of the Company have determined that the 'sale' presumption set out in the amendments to HKAS 12 is not rebutted.

The application of the amendments to HKAS 12 has resulted in the Group not recognising any deferred taxes on changes in fair value of the investment properties as the Group is not subject to any income taxes on disposal of its investment properties.

Except as described above, the directors of the Company anticipate that the application of the above amendments to HKFRSs has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and revised HKFRSs issued but not yet effective

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

Amendments to HKFRSs	Annual Improvements to 2009–2011 Cycle[1]
Amendments to HKFRS 1	Government Loan[1]
Amendments to HKFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[2]
HKFRS 9	Financial Instruments[3]
HKFRS 10	Consolidated Financial Statements[1]
HKFRS 11	Joint Arrangements[1]
HKFRS 12	Disclosure of Interests in Other Entities[1]
HKFRS 13	Fair Value Measurement[1]
HKAS 19 (as revised in 2011)	Employee Benefits[1]
HKAS 27 (as revised in 2011)	Separate Financial Statements[1]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[1]
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[4]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[2]
HK(International Financial Reporting Interpretations Committee)-Int 20	Stripping Costs in the Production Phase of a Surface Mine[1]

[1] Effective for annual periods beginning on or after 1 January 2013.
[2] Effective for annual periods beginning on or after 1 January 2014.
[3] Effective for annual periods beginning on or after 1 January 2015.
[4] Effective for annual periods beginning on or after 1 July 2012.

Annual Improvements to HKFRSs 2009–2011 Cycle issued in June 2012

The Annual Improvements to HKFRSs 2009–2011 Cycle include a number of amendments to various HKFRSs. The amendments are effective for annual periods beginning on or after 1 January 2013. Amendments to HKFRSs include the amendments to HKAS 1 Presentation of Financial Statements, the amendments to HKAS 16 Property, Plant and Equipment and the amendments to HKAS 32 Financial Instruments: Presentation.

HKAS 1 requires an entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification to present a statement of financial position as at the beginning of the preceding period (third statement of financial position). The amendments to HKAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The directors of the Company do not anticipate that the application of the amendments will have a material effect on the Group's consolidated financial statements.

The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 Income Taxes. The directors of the Company anticipate that the amendments to HKAS 32 will have no effect on the Group's consolidated financial statements as the Group has already adopted this treatment.

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures — Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirement) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

The directors of the Company anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The directors of the Company anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements. HK (SIC)-Int 12 Consolidation — Special Purpose Entities will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 Interests in Joint Ventures. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK (SIC)-Int 13 Jointly Controlled Entities — Non-Monetary Contributions by Venturers will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates, and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013 with earlier application permitted provided that all of these standards are applied at the same time.

The directors of the Company do not anticipate that the application of these five standards will have a significant impact on amounts reported in the consolidated financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities

The amendments to HKFRS 10 introduce an exception to consolidating subsidiaries for an investment entity, except where the subsidiaries provide services that relate to the investment entity's investment activities. Under the amendments to HKFRS 10, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss.

To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is required to:

— obtain funds from one or more investors for the purpose of providing them with professional investment management services;

— commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and

— measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments to HKFRS 12 and HKAS 27 have been made to introduce new disclosure requirements for investment entities.

The amendments to HKFRS 10, HKFRS 12 and HKAS 27 are effective for annual periods beginning on or after 1 January 2014, with early application permitted. The directors of the Company anticipate that the application of the amendments will have no effect on the Group as the Company is not an investment entity.

HKFRS 13 Fair Value Measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 Financial Instruments: Disclosures will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. The directors of the Company anticipate that the application of the new standard may affect certain amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements. However, the directors of the Company have not yet performed a detailed analysis of the impact of the application of these standards and hence have not yet quantified the extent of the impact.

Amendments to HKAS 1 Presentation of items of Other Comprehensive Income

The amendments to HKAS 1 Presentation of Items of Other Comprehensive Income introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a 'statement of comprehensive income' is renamed as a 'statement of profit or loss and other comprehensive income' and an 'income statement' is renamed as a 'statement of profit or loss'. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis — the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in future accounting periods.

2. TURNOVER AND SEGMENTAL INFORMATION

Turnover of the Group represents net invoiced value of goods sold for the year.

Segmental information

The chief operating decision makers have been identified as the executive directors of the Company (the "Executive Directors"). The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources. Management determined the operating segments based on these reports.

The Group has three reportable and operating segments under HKFRS 8 as follows:

Corrugated products — manufacture and sale of corrugated board and corrugated paper-based packing products;

Offset printed corrugated products — manufacture and sale of offset printed corrugated products; and

Properties leasing — properties leased in Hong Kong for rental income.

Segment revenues and results

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

For the year ended 31 March 2013

	Corrugated products *HK$'000*	Offset printed corrugated products *HK$'000*	Properties leasing *HK$'000*	Elimination *HK$'000*	Total *HK$'000*
Segment revenue					
External sales	646,111	120,600	–	–	766,711
Inter-segment sales	47,592	30,175	–	(77,767)	–
Total	693,703	150,775	–	(77,767)	766,711
Segment results	26,568	(6,266)	18,904		39,206
Interest income					2,032
Tax penalties and related interests					(2,311)
Fair value changes of derivative financial instruments					66
Impairment loss on available-for-sale investment					(1,458)
Impairment loss on intangible assets					(2,300)
Impairment loss on goodwill					(5,000)
Dividend income from held for trading investments					64
Fair value changes of held for trading investments					149
Income from structured foreign currency forward contracts					1,679
Income from structured deposits					1,010
Fair value changes of financial assets designated as at FVTPL					9,681
Corporate income and expenses					(6,754)
Profit before tax					36,064

For the year ended 31 March 2012

	Corrugated products *HK$'000*	Offset printed corrugated products *HK$'000*	Properties Leasing *HK$'000* (Restated)	Elimination *HK$'000*	Total *HK$'000* (Restated)
Segment revenue					
External sales	641,383	130,703	–	–	772,086
Inter-segment sales	54,113	27,927	–	(82,040)	–
Total	695,496	158,630	–	(82,040)	772,086
Segment results	25,961	(3,208)	(89)		22,664
Interest income					1,841
Fair value changes of held for trading investments					(2,904)
Loss on disposal of held for trading investments					(635)
Dividend income from held for trading investments					135
Income from structured foreign currency forward contracts					514
Fair value changes of derivative financial instruments					487
Fair value changes of financial assets designated as at FVTPL					312
Corporate income and expenses					(12,204)
Profit before tax					10,210

The accounting policies of the operating segments are the same as the Group's accounting policies in preparing the consolidated financial statements of the Group. Segment profits or losses represented the profit earned/loss from each segment without allocation of interest income, fair value changes of derivative financial instruments, fair value changes of financial assets designated as at FVTPL, fair value changes of held for trading investments, loss on disposal of held for trading investments, income from structured foreign currency forward contracts, income from structured deposits, dividend income from held for trading investments, impairment loss on available-for-sale investment, impairment loss on intangible assets, impairment losses on goodwill, tax penalties and related interests and corporate income and expenses. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

At 31 March 2013

	Corrugated products *HK$'000*	Offset printed corrugated products *HK$'000*	Properties leasing *HK$'000*	Total *HK$'000*
Segment assets	**677,815**	**97,404**	**184,307**	**959,526**
Total assets for reportable segments				**959,526**
Unallocated items:				
Leasehold land in Hong Kong for corporate use				**1,366**
Investment properties				**500**
Goodwill				**23,113**
Intangible assets				**4,981**
Club membership				**366**
Amounts due from non-controlling shareholders				**24**
Amounts due from indemnifiers				**3,159**
Held for trading investments				**3,725**
Bank balances managed on central basis				**11,467**
Available-for-sale investment				**3,542**
Derivative financial instruments				**665**
Financial assets designated as at FVTPL				**67,474**
Others				**6,564**
Consolidated total assets				**1,086,472**
Segment liabilities	**145,898**	**25,682**	**1,132**	**172,712**
Total liabilities for reportable segments				**172,712**
Unallocated items:				
Current tax liabilities				**9,437**
Deferred tax liabilities				**5,612**
Amounts due to non-controlling shareholders				**20,575**
Borrowings				**291,706**
Amount due to a director				**135**
Others				**2,756**
Consolidated total liabilities				**502,933**

At 31 March 2012

	Corrugated products *HK$'000*	Offset printed corrugated products *HK$'000*	Properties leasing *HK$'000* (Restated)	Total *HK$'000* (Restated)
Segment assets	684,380	113,561	7,913	805,854
Total assets for reportable segments				805,854
Unallocated items:				
Leasehold land in Hong Kong for corporate use				1,406
Investment properties				420
Club membership				366
Deposits paid for acquisition of subsidiaries				30,000
Amount due from a non-controlling shareholder				3
Held for trading investments				3,576
Tax recoverable				11,113
Bank balances managed on central basis				4,546
Available-for-sale investment				5,000
Derivative financial instruments				839
Financial assets designated as at FVTPL				64,899
Others				2,210
Consolidated total assets				930,232
Segment liabilities	166,429	23,203	–	189,632
Total liabilities for reportable segments				189,632
Unallocated items:				
Current tax liabilities				741
Deferred tax liabilities				5,573
Amounts due to non-controlling shareholders				20,527
Borrowings				170,038
Derivative financial instruments				418
Others				1,006
Consolidated total liabilities				387,935

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to segments other than leasehold land in Hong Kong for corporate use, investment property for capital appreciation purposes, goodwill, intangible assets, club membership, amounts due from non-controlling shareholders, amounts due from indemnifiers, deposit paid for acquisition of subsidiaries, held for trading investments, bank balances managed on central basis, available-for-sale investment, derivative financial instruments, financial assets designated as at FVTPL, tax recoverable and corporate assets; and

- all liabilities are allocated to segments other than current tax liabilities, deferred tax liabilities, amounts due to non-controlling shareholders, derivative financial instruments, borrowings, amount due to a director and corporate liabilities.

The segment information is as follows:

Other segment information:

2013

	Corrugated products *HK$'000*	Offset printed corrugated products *HK$'000*	Properties leasing *HK$,000*	Unallocated *HK$,000*	Total *HK$'000*
Amounts included in the measure of segment profit or loss or segment assets:					
Depreciation and amortisation	**18,252**	**10,372**	**–**	**2,550**	**31,174**
Addition to non-current assets *(note)*	**21,996**	**5,145**	**156,903**	**179**	**184,223**
Dividend income from held for trading investments	**–**	**–**	**–**	**(64)**	**(64)**
Loss on disposal of property, plant and equipment	**58**	**(1)**	**–**	**–**	**57**
Impairment loss on available-for-sale asset	**–**	**–**	**–**	**1,458**	**1,458**
Impairment loss on intangible assets	**–**	**–**	**–**	**2,300**	**2,300**
Impairment loss on goodwill	**–**	**–**	**–**	**5,000**	**5,000**
Tax penalties and related interests	**–**	**–**	**–**	**2,311**	**2,311**
Reversal of allowance for inventories	**–**	**(167)**	**–**	**–**	**(167)**
Allowance for doubtful debts	**3,199**	**–**	**–**	**–**	**3,199**
Interest income	**(2,012)**	**(21)**	**–**	**1**	**(2,032)**
Interest expenses	**5,938**	**928**	**323**	**–**	**7,189**
Income tax expense	**5,806**	**538**	**140**	**12,820**	**19,304**

Note: Non-current assets excluded financial assets designated as at FVTPL and derivative financial instruments.

Other segment information:

2012

	Corrugated products *HK$'000*	Offset printed corrugated products *HK$'000*	Properties leasing *HK$,000* (Restated)	Unallocated *HK$,000* (Restated)	Total *HK$'000*
Amounts included in the measure of segment profit or loss or segment assets:					
Depreciation and amortisation	13,534	9,971	–	6	23,511
Additions to non-current assets *(note)*	86,792	8,469	7,849	10,000	113,110
Dividend income from held for trading investments	–	–	–	(135)	(135)
Gain on disposal of property, plant and equipment	(2)	–	–	–	(2)
Write-back of other payables	(461)	–	–	–	(461)
Loss on disposal of held for trading investments	–	–	–	635	635
Allowance for bad and doubtful debts	2,521	–	–	–	2,521
Reversal of allowance for inventories	(895)	–	–	–	(895)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:					
Interest income	(1,794)	(47)	–	–	(1,841)
Interest expenses	2,656	483	–	–	3,139
Income tax expense (credit)	3,241	(509)	–	–	2,732

Note: Non-current assets excluded available-for-sale investment, financial assets designated as at FVTPL and derivative financial instruments.

Geographical information:

The Group's operations are located in the People's Republic of China (the "**PRC**"), Hong Kong and Macau.

Information about the Group's revenue from external customers is based on the location of the customers and information about its non-current assets are based on the geographical location as detailed below:

	Revenue from external customers		**Non-current assets**	
	2013 ***HK$'000***	2012 *HK$'000*	**2013** ***HK$'000***	2012 *HK$'000*
Hong Kong	**35,428**	42,601	**214,837**	29,065
PRC except Hong Kong	**731,283**	729,485	**336,473**	332,232
Consolidated total	**766,711**	772,086	**551,310**	361,297

Information about major customers

During the years ended 31 March 2013 and 2012, none of the Group's sales to a single customer amounted to 10% or more of the Group's total revenue.

3. OTHER INCOME

	2013	2012
	HK$'000	*HK$'000*
Dividend income from held for trading investments	**64**	135
Gain on disposal of property, plant and equipment	**–**	2
Interest income	**2,032**	1,841
Management fee income	**60**	360
Income from online game business, net	**622**	–
Rental income	**2,537**	938
Write-back of other payables	**–**	461
Sundry income	**706**	305
	6,021	4,042

4. OTHER GAINS AND LOSSES

	2013	2012
	HK$'000	*HK$'000*
Fair value changes of derivative financial instruments	**66**	487
Fair value changes of held for trading investments	**149**	(2,904)
Fair value changes of financial assets designated as at FVTPL	**9,681**	312
Loss on disposal of held for trading investments	**–**	(635)
Fair value changes of investment properties	**17,408**	–
Income from structured deposits	**1,010**	–
Income from structured foreign currency forward contracts	**1,679**	514
Impairment loss on available-for-sale investment	**(1,458)**	–
	28,535	(2,226)

5. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Interest on:		
bank borrowings		
— wholly repayable within five years	**6,241**	3,137
other loans		
— wholly repayable within five years	**440**	404
amount due to a non-controlling shareholder		
— not wholly repayable within five years	**508**	619
Total borrowing costs	**7,189**	4,160
Less: amounts capitalised	**–**	(1,021)
	7,189	3,139

No borrowing costs were capitalised for the year ended 31 March 2013. Borrowing costs capitalised for the year ended 31 March 2012 arose on the general borrowing pool and are calculated by applying a capitalisation rate of 3.05% per annum to expenditure on qualifying assets.

6. INCOME TAX EXPENSE

	2013	2012
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
Current tax	**1,862**	183
Under (over)-provision in previous years	**13,517**	(68)
	15,379	115
PRC enterprise income tax ("**EIT**")		
Current tax	**5,318**	2,427
Under-provision in previous years	**115**	369
	5,433	2,796
Deferred tax	**(1,579)**	(179)
	19,233	2,732

Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) on the estimated assessable profits. Tax charge on profits assessable in other jurisdictions has been calculated at the rates of tax prevailing in the relevant jurisdictions.

The mode of manufacturing operations of Wah Ming International Limited ("**Wah Ming**") is within the scope of the Departmental Interpretation Practice Note No. 21 issued by the Inland Revenue Department of Hong Kong (the "**IRD**"), that Wah Ming conducted its manufacturing operations by entering into contract processing arrangements with a processing factory in the PRC and hence 50% of the adjusted profits were treated as offshore and not taxable in Hong Kong.

A portion of the Group's profit for the year is earned by the Macau subsidiaries of the Group incorporated under the Macao SAR's Offshore Law. Pursuant to the Macao SAR's Offshore Law, such portion of profits is exempted from Macau complimentary tax. Further, in the opinion of the directors of the Company, that portion of the Group's profit is not at present subject to taxation in any other jurisdiction in which the Group operates.

On 16 March 2007, the new PRC enterprise income tax law passed by the Tenth National People's Congress introduces various changes which include the unification of the enterprise income tax rate for domestic and foreign enterprises at 25%. The new tax law became effective on 1 January 2008. Pursuant to "Notice on Corporate Income Tax Transitional Arrangement" issued by the PRC State Council on 26 December 2007, enterprises entitled to lower tax rates under the old law have been given a five-year grace period before they are required to pay the statutory rate. According to Shenzhen tax bureau final approval, the applicable enterprise income tax rate for Come Sure Packing Products (Shenzhen) Company Limited would be 20% in calendar year 2009, 22% in 2011, 24% in 2012 and 25% from 2012 onwards.

In prior years, the IRD has issued several letters to a director of the Company, Mr. Chong Kam Chau ("**Mr. Chong**"), the Company and some of its subsidiaries requesting for certain financial information for the years of assessment from 2002/03 to 2005/06. The Group has already submitted several replies and provided part of the financial information to the IRD.

The IRD has issued estimated assessments for profits tax for the years of assessment 2002/03 to 2005/06 amounted to approximately HK$25,400,000 to five subsidiaries of the Group in aggregate in previous years. The Group has made objections to the IRD on those estimated assessments and purchased tax reserve certificates amounting to HK$3,500,000. The IRD has held over the payment of profits tax of approximately HK$14,817,000.

During the year ended 31 March 2013, the Group reached a settlement agreement with the IRD for two subsidiaries of the Group for the years of assessment 2002/03 to 2008/09 for a total sum of profits tax of approximately HK$17,566,000 and related tax penalties and interests in aggregate of approximately HK$2,311,000. Accordingly, an additional profits tax of approximately HK$13,529,000 and related tax penalties and interests in aggregate of approximately HK$2,311,000 were recognised as income tax expenses and other operating expenses respectively.

For the remaining three subsidiaries of the Group with estimated assessments for profits tax for the years of assessment 2002/03 to 2005/06 of approximately HK$6,734,000, whole amount of estimated assessments has been held over by the IRD and no further profits tax has been levied up to date.

Pursuant to the deed of indemnity dated 13 February 2009, Perfect Group, Mr. Chong, Mr. Chong Wa Pan, Mr. Chong Wa Ching and Mr. Chong Wa Lam (shareholders of the Company and collectively referred to as the "**Indemnifiers**") have given indemnities among taxation and related penalty and liability resulting from any income, profits or gains earned, accrued or received on or before the date of the Listing, which might be payable by any member of the Group (the "**Tax Indemnity**"). Pursuant to the above arrangement, Mr. Chong, acting on behalf of the Indemnifiers, agreed to settle the additional tax and related tax penalties and interests in aggregate of approximately HK$15,840,000 as abovementioned to the Group. During the year ended 31 March 2013, approximately HK$12,681,000 was settled. Further details of the Tax Indemnity are set out in the Company's prospectus for the Listing issued on 16 February 2009.

The Group is still waiting for further comment from the IRD up to the date of this report. Having taken the advices from the Group's tax advisor, the directors of the Company are of the opinion that, as at 31 March 2013, the provision for taxation made in the consolidated financial statements is sufficient and not excessive and believe that no significant amount of additional profits tax will be payable for the above request.

Since the process to finalise the estimated assessments with the IRD for the remaining three subsidiaries of the Group is still at a preliminary stage, it is too remote to consider the eventual amount of penalty and interest payable, if any, under the estimated assessments at this stage. Hence, no amount of penalty or interest has been considered as necessary.

7. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting) the followings:

	2013 ***HK$'000***	2012 *HK$'000*
Depreciation for property, plant and equipment	**27,469**	22,482
Amortisation of prepaid lease payments	**1,278**	1,029
Amortisation of intangible assets	**2,427**	–
Total depreciation and amortisation	**31,174**	23,511
Auditors' remuneration	**1,030**	880
Cost of inventories sold *(note (a))*	**607,738**	636,728
Loss (gain) on disposal of property, plant and equipment (included in other operating expenses)	**57**	(2)
Impairment loss on goodwill (included in other operating expenses)	**5,000**	–
Impairment loss on available-for-sale investment (included in other gains and losses)	**1,458**	–
Impairment loss on intangible assets (included in other operating expenses)	**2,300**	–
Operating lease charges in respect of land and buildings	**17,181**	18,862
Reversal of allowance for inventories (included in cost of inventories sold)	**(167)**	(895)
Allowance for doubtful debts (included in other operating expenses)	**3,199**	2,521
Net foreign exchange loss	**4,057**	4,405

Note:

(a) Cost of inventories sold includes staff costs, depreciation and operating lease charges totaled approximately HK$100,982,000 (2012: HK$87,564,000) which are included in the amounts disclosed separately above.

8. DIVIDENDS

	2013	2012
	HK$'000	*HK$'000*
Dividend recognised as distribution during the year		
2012 Final dividend — HK1.2 cents (2011: HK1.9 cents) per share	**4,348**	6,247

The final dividend of HK2.2 cents (2012: HK1.2 cents) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

9. EARNINGS PER SHARE

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

Earnings

	2013	2012
	HK$'000	*HK$'000*
Profit for the year attributable to owners of the Company	**20,143**	11,331

Number of shares

	2013	2012
Issued and issuable ordinary shares at beginning of year	**362,300,000**	328,800,000
Effect of shares issued under placing and allotment	**–**	1,468,493
Weighted average number of ordinary shares at end of year	**362,300,000**	330,268,493
Weighted average number of ordinary shares for the purpose of basic earnings per share	**362,300,000**	330,268,493
Effect of dilutive potential ordinary shares — share options and warrants	**–**	1,649,530
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**362,300,000**	331,918,023

The computation of diluted earnings per share does not assume the following:

(a) the exercise of all (2012: certain) of the Company's share options and warrants because the exercise prices of those options and warrants were higher than the average market price of shares for the years ended 31 March 2013 and 2012; and

(b) the issuance of the Consideration Shares (as defined in note 12) because the TSGL's Profit Amount (as defined in note 12) did not equal to or exceed the TSGL's Guaranteed Amount (as defined in note 12) for the year ended 31 March 2013 (2012: nil).

10. TRADE AND BILLS RECEIVABLES

Payment terms with customers are mainly on cash on delivery and on credit. The credit periods ranged from 15 days to 120 days after the end of the month in which the revenue recognised. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. The ageing analysis of trade and bills receivables, based on the due date for settlement, is as follows:

	2013	2012
	HK$'000	*HK$'000*
Trade receivables:		
Not yet due for settlement	**144,831**	150,986
Overdue:		
1 to 30 days	**16,808**	12,174
31 to 90 days	**27,941**	12,588
91 to 365 days	**2,693**	3,938
Over 1 year	**11,694**	11,205
	203,967	190,891
Less: Allowance for doubtful debts	**(11,140)**	(8,119)
	192,827	182,772
Bills receivables	**2,740**	3,675
	195,567	186,447

Included in the Group's trade receivable balance are debtors (see below for ageing analysis) which are past due as at the reporting date for which the Group has not provided for allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. Trade 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.

Ageing of trade receivables which are past due but not impaired

	2013	2012
	HK$'000	*HK$'000*
Overdue by:		
1 to 90 days	**44,749**	24,762
91 to 365 days	**2,614**	3,938
Over 1 year but within 2 years	**633**	3,086
Total	**47,996**	31,786

Movement in the allowance for doubtful debts

	2013	2012
	HK$'000	*HK$'000*
1 April	**8,119**	5,619
Allowance for doubtful debts for overdue trade receivables	**3,199**	2,521
Write off as bad debts	**(198)**	(189)
Exchange differences	**20**	168
31 March	**11,140**	8,119

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated.

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of approximately HK$11,140,000 (2012: HK$8,119,000) which have either been placed under liquidation or in severe financial difficulties.

The carrying amounts of the trade and bills receivables are denominated in the following currencies:

	2013	2012
	HK$'000	*HK$'000*
HK$	**67,203**	72,150
US$	**44,573**	20,074
RMB	**83,382**	93,357
Australian dollars	**409**	866
	195,567	186,447

11. TRADE AND BILLS PAYABLES

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

	2013	2012
	HK$'000	*HK$'000*
Trade payables:		
0 to 30 days	**52,823**	42,322
31 days to 90 days	**1,050**	1,122
Over 90 days	**1,030**	1,255
	54,903	44,699
Bills payables	**49,350**	67,287
	104,253	111,986

Payment terms granted by suppliers are mainly on cash on delivery and on credit. The credit periods ranged from 15 days to 90 days after end of the month in which the relevant purchase occurred. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

The carrying amounts of trade and bills payables are denominated in the following currencies:

	2013	2012
	HK$'000	*HK$'000*
HK$	**20,526**	14,932
RMB	**83,727**	97,054
	104,253	111,986

12. ACQUISITION OF SUBSIDIARIES

(a) Acquisition of Think Speed Group Limited

On 21 June 2012, Fortune Port Technology Limited ("**Fortune Port**"), a wholly-owned subsidiary of the Company, acquired 51% equity interest in Think Speed Group Limited ("**TSGL**") at a total consideration of HK$22,421,000. This acquisition has been accounted for using the acquisition method. The amount of goodwill arising as a result of the acquisition was approximately HK$16,482,000. TSGL is principally engaged in development and design of online games and operating online game website (www.caplay.com), and development, design and provision of iTools, a sychronisation software for mobile products and operating website(s). Details are set out in the Company's announcement dated 10 November 2011, 6 January 2012, 4 May 2012, 18 June 2012 and 21 June 2012.

Acquisition-related costs amounting to approximately HK$432,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year, within the administrative expenses in the consolidated income statement.

The consolidated net assets acquired in the transaction and the goodwill arising were as follows:

	Acquirees' carrying amounts before combination *HK$'000*	Fair value adjustments *HK$'000*	Fair value *HK$'000*
Property, plant and equipment	77	–	77
Intangible assets	–	9,708	9,708
Prepayments, deposits and other receivables	2,522	–	2,522
Amounts due from shareholders	17	–	17
Bank and cash balances	394	–	394
Trade payables	(514)	–	(514)
Accruals and other payables	(4,976)	–	(4,976)
Amount due to a director	(261)	–	(261)
Deferred tax liabilities	–	(1,602)	(1,602)
Net identifiable assets and liabilities	(2,741)	8,106	5,365
Non-controlling interests			(2,629)
Goodwill			16,482
Consideration transferred			19,218
Satisfied by:			
Cash			14,560
Contingent consideration arrangements:			
— 8,639,000 Consideration Shares as contingent consideration			7,861
— Fair value of profit guarantee			(3,203)
			19,218
Net cash outflow arising on acquisition:			
Cash consideration			14,560
Less: Cash and cash equivalents acquired			(394)
Utilisation of deposit paid in last year			(10,000)
			4,166

Pursuant to the sales and purchase agreement in relation to the acquisition of TSGL (the "**TSGL's Agreement**"), if the audited completion accounts of TSGL at an agreed date, i.e. 20 June 2012, shows that the net assets value (the "**NAV**") is less than the NAV as shown in the management accounts of TSGL at 31 March 2012, the consideration payable by the Group to Deson Technology Limited (the "**TSGL's Vendor**") shall be reduced by an amount equivalent to the amount of such difference in the NAV on a dollar-for-dollar basis. In such event, balance of the consideration shall be adjusted first by way of reducing the number of 10,570,000 new shares (the "**Consideration Shares**") to be issued to the TSGL's Vendor with no adjustment to the issue price. Since the audited NAV on 20 June 2012 are below the NAV of the management accounts on 31 March 2012, the Consideration Shares are adjusted from 10,570,000 shares to 8,639,000 shares.

Furthermore, pursuant to the terms of the supplemental agreement (the "**TSGL's Supplemental Agreement**"), the TSGL's Vendor and certain guarantors (the "**TSGL's Guarantors**") undertake to Fortune Port that the aggregate of the audited consolidated net profit of TSGL for the two years ending 31 March 2014 (the "**TSGL's Profit Amount**") shall not be less than HK$20,000,000 (the "**TSGL's Guaranteed Amount**") (the "**TSGL's Profit Guarantee**"). In the event that the TSGL's Profit Amount is less than the TSGL's Guaranteed Amount, the TSGL's Vendor and the TSGL's Guarantors shall jointly and severally pay to Fortune Port a sum equivalent to the amount of the cash consideration (HK$14,560,000). In the event that, pursuant to the TSGL's Agreement, the TSGL's Profit Amount equals to or exceeds the TSGL's Guaranteed Amount, Fortune Port shall procure the Company to issue and allot the Consideration Shares to the TSGL's Vendor or its nominee free of charge despite the issue price to satisfy the balance of the consideration.

Pursuant to the put option deed entered between the TSGL's Vendor and Fortune Port on 21 June 2012, TSGL's Vendor grants to Fortune Port a put option (the "**TSGL's Put Option**") at a consideration of HK$1 from the date of the put option deed to 31 December 2014 to require the TSGL's Vendor to purchase from Fortune Port the 51% equity shares in TSGL which Fortune Port has originally purchased under the TSGL's Agreement at an option price of HK$14,560,000 if any of the agreements in respect of (i) the management of 80.01% of the equity interest in 深圳市創想天空科技有限公司 Shenzhen Thinksky Technology Co., Ltd ("**Shenzhen Thinksky**") executed by Magic Thinksky Limited, a 51% indirectly owned subsidiary of the Company, on behalf of the legal owners of those equity and/or (ii) the grant of the operative rights to promote, sell, engage in marketing and operate the business of provision of the software management and synchronisation software owned by Shenzhen Thinksky including without limitation to iTools in the regions outside the PRC and the absolute right and interest of TSGL to receive 70% profit sharing generated from such business to TSGL, being terminated, invalid or illegal or otherwise and unenforceable.

Pursuant to the TSGL's Supplementary Agreement, if the TSGL's Vendor and the TSGL's Guarantors have paid the sum of HK$14,560,000 in relation to the TSGL's Profit Guarantee, the TSGL's Put Option shall automatically lapse.

The TSGL's Put Option has been valued as no value. As a result, no related financial instrument has been recognised.

The fair value of the Consideration Shares of the Company was determined on the basis of the closing market price of the Company's ordinary shares on the date of acquisition.

Goodwill arose in the acquisition of TSGL because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of revenue growth and future market development for entering into the rapid growing online games, internet and mobile internet business.

The goodwill arising on the acquisition is not expected to be deductible for tax purposes.

TSGL contributed net amount of approximately HK$622,000 to the Group's other income, loss of approximately HK$3,187,000 to the Group's profit and no contribution to the Group's turnover for the period between the date of acquisition and at 31 March 2013.

Had the acquisition been completed on 1 April 2012, the Group's total turnover for the year would have been approximately HK$766,711,000, and profit for the year ended 31 March 2013 would have been approximately HK$14,960,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of the turnover and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2012, nor is intended to be a projection of future results.

(b) Acquisition of Sky Achiever Holdings Limited

On 31 December 2012, Jumbo Match Limited ("**Jumbo Match**"), a wholly-owned subsidiary of the Company, acquired 100% equity interest in Sky Achiever Holdings Limited ("**SAH**") at a total consideration of HK$20,000,000. This acquisition has been accounted for using the acquisition method. The amount of goodwill arising as a result of the acquisition was HK$11,631,000. SAH is principally engaged in production of molded pulp products.

Acquisition-related costs amounting to HK$170,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year, within the administrative expenses in the consolidated income statement.

The consolidated net assets acquired in the transaction and the goodwill arising were as follows:

	Acquirees' carrying amounts before combination *HK$'000*	**Fair value adjustments** *HK$'000*	**Fair value** *HK$'000*
Property, plant and equipment	3,443	–	3,443
Trade receivables	25,045	–	25,045
Prepayments, deposits and other receivables	3,774	–	3,774
Inventories	1,449	–	1,449
Bank and cash balances	3,794	–	3,794
Trade payables	(2,632)	–	(2,632)
Other payables	(25,689)	–	(25,689)
Tax payable	(1,383)	–	(1,383)
Net identifiable assets and liabilities	7,801	–	7,801
Goodwill			11,631
Consideration transferred			19,432
Satisfied by:			
Cash			20,000
Contingent consideration arrangement:			
— Fair value of profit guarantee			(568)
			19,432
Net cash inflow arising on acquisition:			
Cash consideration			20,000
Less: Cash and cash equivalents acquired			(3,794)
Utilisation of deposit paid in last year			(20,000)
			(3,794)

Pursuant to an agreement between Jumbo Match and SAH (the "**SAH's Agreement**"), each of the consolidated net profit before tax of SAH for the three years ending 31 March 2015 shall not be less than HK$5,000,000 (the "**SAH's Profit Guarantee**"). The shortfall from HK$5,000,000 shall be paid by the ultimate beneficial owner of SAH's Vendor to the Group.

Pursuant to the SAH's Agreement, SAH's Vendor has granted Jumbo Match a put option (the "**SAH's Put Option**") at nil consideration within 3 months from the audit report date for the year ended 31 March 2013 to require SAH's Vendor to purchase from Jumbo Match the 100% equity shares in SAH which Jumbo Match has originally purchased under the SAH's Agreement at an option price of HK$20,000,000 if SAH has no net profit for the year ended 31 March 2013.

The SAH's Put Option has been valued as no value. As a result, no related financial instrument has been recognised. In addition, SAH has generated audited net profit for the year ended 31 March 2013 and therefore the SAH's Put Option has lapsed.

Goodwill arose in the acquisition of SAH because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development, assembled workforce, customer relationship and technical knowhow of SAH. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The goodwill arising on the acquisition is not expected to be deductible for tax purposes.

SAH contributed approximately HK$11,897,000 to the Group's turnover and profit of approximately HK$994,000 to the Group's profit for the period between the date of acquisition and at 31 March 2013.

Had the acquisition been completed on 1 April 2012, the Group's total turnover for the year would have been approximately HK$807,480,000, and profit for the year ended 31 March 2013 would have been approximately HK$22,140,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of the turnover and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2012, nor is intended to be a projection of future results.

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Review

Despite the continuous slow growing trend in the global economy, as well as the slowdown of the GDP growth in China from 9.2% in 2011 to 7.8% in 2012, the corrugated paper packaging production industry grew steadily during the year ended 31 March 2013 ("the Year"). Since the eco-friendly nature and "green" packaging have become the trend in both international and domestic market in recent years, the demand of corrugated board and corrugated paper packaging products stays high. According to China Market Research Reports and Consulting Services Platform, as at 31 December 2012, the annual production volume of corrugated paper packaging products in China amounted to approximately 28.1 million tons, representing an increase of 9.05% from the corresponding period in 2011.

Business Review

During the Year, China's export orders were affected by the sluggish global economy, and led to a slow down economic growth in China and decreased in corrugated paper price. However, benefiting from the "green" packaging trend in the recent years, as well as the Group continued to provide quality products to the high-end customers, the Group managed to maintain the revenue at HK$766.7 million.

The high-end customers targeted by the Group mainly demanded in structural packaging design and high compressive strength packaging products, which enabling the Group to get a higher margin compared to normal corrugated paper packaging products and securing the orders from customers of well-known brands from various industries.

The Group's new plant in Huidong, with the production capacity of 100 million square metres of corrugated paper-board and 100 million of pieces of corrugated paper packaging products, commenced operation since April 2012. It relieves the production burden on Shenzhen plants by serving the customers in Guangdong area, and reduces logistic costs when serving its nearby customers who are not near Shenzhen geographically.

During the Year, the Group had been effectively implementing the restructuring of the products, customers and markets mix. At the same time, the Group continued to control the raw material costs through prudent inventories and procurement management, and to employ stringent credit control and prudent financial management, in order to keep a solid financial foundation for future development amid the uncertain economic prospects.

Result of Operation

	2013		2012	
	HK$'000	***(%)***	*HK$'000*	*(%)*
PRC domestic sales	**362,953**	**47.3**	370,035	47.9
Domestic delivery export	**368,330**	**48.1**	359,450	46.6
Direct export	**35,428**	**4.6**	42,601	5.5
Total Sales	**766,711**	**100**	772,086	100
Gross profit margin		**20.7**		17.5
Net profit margin*		**2.2**		1.0

* By excluding the additional tax and related tax penalties and interests for the years of assessment from 2002/03 to 2008/09, the net profit for the year amounted to HK$32.7 million with a net profit margin of 4.3%. The additional tax and related tax penalties and interests were fully indemnified by the controlling shareholders of the Company under a deed of indemnity dated 13 February 2009, which had been fully reimbursed before the date of this results announcement.

Revenue

During the Year, the revenue of the Group amounted to approximately HK$766.7 million, remained stable as compared to approximately HK$772.1 million for the year ended 31 March 2012.

Guangdong operation

During the Year, the Guangdong operation contributed approximately HK$681.6 million revenue to the Group, remained stable as compared to approximately HK$678.3 million for the last year.

To relieve the production burden on Shenzhen plants to serve the customers in Guangdong area, the Group's Huidong plant has completed trial production in 2011 and started commercial production in April 2012, with production capacity of 100 million square metres corrugated paper-board and 100 million pieces of corrugated paper packaging products. The increased capacity enabled the Group to secure more orders surrounding the Huidong areas. In addition, during the Year, the Group continued its effort on developing specialized and structural designed packaging, leading to the revenue generated from printed cartons and other paper-wares lifted up by 7.8% from approximately HK$522.0 million to approximately HK$562.9 million with the average selling price increased by 12.6%.

Jiangxi operation

The operation in Jiangxi contributed approximately HK$85.1 million sales revenue to the Group during the Year, decreased by 9.3% from approximately HK$93.8 million for the same period last year, while the gross profit was increased with the increase in the sales of printed cartons and other paper-wares with higher margin is noted during the Year. However, its potential capability has not been fully reflected; by leveraging on our experienced sales team and business network in the surrounding area, the Group believes that the production capacity of Jiangxi operation would be further improved and be able to capture a larger potential market nearby the Jiangxi area in the coming years.

Gross Profit

During the Year, gross profit margins of the Group increased from 17.5% to 20.7%, and the Group's gross profit increased by 17.4% from approximately HK$135.4 million to approximately HK$159.0 million.

The Group continuously maintained stringent cost control on raw materials during the Year. Moreover, the Group's sales mix changed during the Year by increasing the proportion of the sales on carton and other paper-wares and other high value-added products. Hence, during the Year, while the revenue remained stable, a decrease of 4.6% in the Group's cost of goods sold is noted, as compared for the corresponding period in 2012.

Guangdong operation

The gross profit attributable to the operation of Guangdong amounted to approximately HK$142.2 million for the Year, representing an increase of 17.9% from approximately HK$120.6 million in last corresponding period, and the gross profit margin also improved from 17.8% to 20.9%.

Shenzhen operation continues to contribute the highest level of gross profit during the Year with production of most high value-added paper board products.

Jiangxi operation

With the increase of high value-added products in the sales mix, a remarkable increase in the gross profit and gross profit margin of the operation in Jiangxi is noted. The gross profit and gross profit margin increased from approximately HK$14.7 million and 15.7% in the last corresponding period to approximately HK$16.8 million and 19.8% in the Year respectively. Jiangxi operation entered the market in 2010, and is still under the developing phase; therefore, the gross profit margin was relatively lower than the operation in Shenzhen. The potential profit is not fully crystallized and the Group will actively participate in market penetration through sales promotion to secure more orders in the coming years.

Selling and Distribution and Administrative expenses

The selling and distribution expenses increased by 4.1% from approximately HK$36.4 million in 2012 to approximately HK$37.9 million for the Year. The increase was mainly attributable to the rise of goods delivery expenses incurred from Huidong operation.

During the Year, with the increase of salaries and allowance under the inflation in China, as well as the expenses of approximately HK$3.5 million incurred by TSGL and its subsidiaries (collectively, "**TSGL Group**"), the administrative expenses increased by 17.1% from approximately HK$84.3 million in 2012 to approximately HK$98.7 million in the Year.

Other Operating Expenses

During the Year, the other operating expenses increased to approximately HK$13.4 million from approximately HK$2.7 million in 2012, which mainly represented the impairment of goodwill and intangible assets at approximately HK$7.3 million, the allowance of doubtful debt at approximately HK$3.2 million and the tax penalties and interests at approximately HK$2.3 million.

Finance Cost

The finance cost increased from approximately HK$3.1 million in 2012 to approximately HK$7.2 million for the Year. Additional bank loans were raised during the Year, for the finance of investment properties in Hong Kong and the operation of Huidong, hence the finance cost is increased accordingly.

Net Profit and Dividend

During the Year, the net profit attributable to the owners of the Company increased by 77.9% to approximately HK$20.1 million from approximately HK$11.3 million in 2012, and the net profit margin increased to 2.2% from 1.0% in 2012.

Basic earnings per share for the Year was HK5.56 cents (2012: HK3.43 cents). The Board proposed a payment of final dividend of HK2.2 cents per ordinary share of the Company ("**Share**").

Working Capital

	2013	2012
Trade and bills receivable	**91**	83
Trade and bills payable	**65**	52
Inventories	**55**	48
Cash conversion cycle*	**81**	79

* *Trade and bills receivable turnover days + Inventories turnover days – Trade and bills payables turnover days*

With longer credit periods granted to certain renowned customers with lower credit risk, the trade and bills receivables reached approximately HK$195.6 million as at 31 March 2013, increased by 4.9% against approximately HK$186.4 million as at 31 March 2012. Trade receivables turnover days increased 8 days from 83 days in 2012 to 91 days for the Year.

The trade and bills payables decreased from HK$112.0 million to HK$104.3 million in 2013, which mainly caused by the raw materials price is relatively lower than last year. The Group adopted effective funds management to match the longer trade and bills receivables period; hence, the trade payables turnover days increased by 13 days to 65 days as compared to 52 days in 2012.

Inventories carried a total worth of approximately HK$89.5 million as compared to approximately HK$93.5 million in 2012. The inventories turnover days for the Year increased to 55 days from 48 days in 2012. The sales mix with increased proportion of high value-added products contributes more profit to the Group; yet, lengthen the production period, as well as inventories turnover. Meanwhile, the Group's stringent inventories control would be continued to maintain the holding risk as low as possible.

The cash conversion cycle of the Group was slightly increased to 81 days for the Year as compared to 79 days for the year ended 31 March 2012, representing the operation effectiveness and reduced liquidity risk of the Group is maintained despite the changes in the operation, such as change in sales mix and lengthen credit periods granted to certain renowned customers.

Liquidity and Financial Resources

	2013	2012
Current ratio	**1.1**	1.7
Gearing ratio	**26.8%**	18.3%

During the Year, the principal sources of working capital of the Group were the cash flow from operating activities and bank borrowings. As at 31 March 2013, the Group's total cash and cash equivalents were mostly denominated in Hong Kong dollars and Renminbi, bank balances and cash amounted to approximately HK$126.3 million (2012: approximately HK$102.3 million), excluding pledged deposit of approximately HK$21.0 million, and the unused banking facilities was approximately to HK$523.5 million.

The current assets and current liabilities amounted to approximately HK$535.2 million and approximately HK$472.0 million as at 31 March 2013, as compared to approximately HK$568.9 million and approximately HK$339.0 million as at 31 March 2012 respectively. Current ratio (current assets divided by current liabilities) decreased from 1.7 as at 31 March 2012 to 1.1 as at 31 March 2013.

Total outstanding bank borrowings and other loans increased from approximately HK$170.0 million as at 31 March 2012 to approximately HK$291.7 million as at 31 March 2013. The Group's borrowings are mainly arranged to finance of investment properties and meet the working capital requirements; hence, the amount is increased upon the initiation of Huidong operation during the Year. During the Year, all the bank borrowings of the Group carried floating interest rates and were secured, of which approximately HK$194.1 million are repayable within one year and approximately HK$88.9 million are repayable with two to more than five years, whereas the other loans of approximately HK$8.7 million carried a fixed interest rate of 5.0% and are unsecured and repayable within one year. As at 31 March 2013, all the bank borrowings are denominated in Hong Kong dollars and other loans are denominated in Renminbi.

The gearing ratio (total borrowings divided by total assets) increased from 18.3% as at 31 March 2012 to 26.8% as at 31 March 2013, which is still considered to be at a healthy level. As at 31 March 2013, the Group maintained a sound liquidity position and processed with sufficient cash and banking facilities to meet the working capital requirement for existing operations and to finance emerging investment opportunities.

Foreign Exchange Risk

The Group is exposed to foreign currency risk as some of its business transactions, assets and liabilities are denominated in currencies other than the functional currency of the respective member of the Group. As at 31 March 2013, the Group maintained USD5.0 million pivot forward contracts and increased Renminbi deposit during the Year to reduce the exchange risks of Renminbi. The Group will continue to monitor the foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Charge of Assets

As at 31 March 2013, the Group pledged certain assets including bank deposits, prepaid land lease payments, property, plant and equipment and investment properties with aggregate net book value of approximately HK$237.9 million (2012: approximately HK$88.9 million) to secure banking facilities granted to the Group.

Capital Commitment and Contingent Liabilities

As at 31 March 2013, the Group's capital expenditure contracted but not provided for regarding to property, plant and equipment was approximately HK$3.1 million (2012: approximately HK$27.2 million) and the Group did not have any capital expenditure contracted but not provided for purchase of investment properties as at 31 March 2013 (2012: approximately HK$56.3 million).

As at 31 March 2013, the Group did not have any capital expenditure authorised but not contracted for. (2012: approximately HK$25.7 million).

As at 31 March 2013, the Group had no significant contingent liabilities (2012: Nil).

Significant Investment Held and Material Acquisition and Disposal

Acquisition of online games and synchronization software businesses

Pursuant to the terms of the sales and purchase agreement dated 4 May 2012 in relation to the acquisition of TSGL Group (the "**Agreement**"), if the audited completion accounts of TSGL shows that the Net Assets Value (the "**NAV**") is less than the NAV as shown in the management accounts of TSGL as at 31 March 2012, the consideration payable by the Group to TSGL shall be reduced by an amount equivalent to the amount of such difference in the NAV on a dollar-for-dollar basis. In such event, balance of the consideration shall be adjusted first by way of reducing the number of consideration shares of the Company (the "**Consideration Shares**") to be issued to the Vendor (as defined below) with no adjustment to the issue price. Since the audited NAV on completion accounts are below the NAV of the management accounts on 31 March 2012, the Consideration Shares are adjusted from 10,570,000 shares to 8,639,000 shares. Please also refer to note 12(a) to the financial statements of this result announcement for details.

TSGL Group is principally engaged in development and design of online games and operating online game website(s) and has obtained the exclusive operative rights to promote and operate the business of provision of the software management and synchronization software owned by 深圳市創想天空科技有限公司 (Shenzhen Thinksky Technology Company Limited*) including without limitation to iTools in the regions outside the PRC and the right and interest to receive 70% operating income (after tax) generated from such business. Please also refer to the announcements of the Company dated 10 November 2011, 6 January 2012, 4 May 2012, 18 June 2012 and 21 June 2012 for details.

Acquisition of Sky Achiever Holdings Limited

On 30 December 2011, the Group entered into a sales and purchase agreement to acquire 100% interest of Sky Achiever Holdings Limited ("SAH"), a company principally engaging in production of molded pulp products, with a total consideration of HK$20 million. On 31 December 2012, the acquisition of SAH was completed. Please also refer to Note 12(b) to the financial statements of this result announcement for details.

Acquisition of property

On 16 October 2012 and 31 October 2012, the Group entered into a provisional sales & purchase agreement ("**Provisional S&P Agreement**") and a formal sales & purchase agreement respectively with Excel Link Asia Group Limited, to purchase the property at Shops B and C on G/F, Hoi Ning Building, Nos. 82–84 Sai Wan Ho Street and Nos. 1–5 Hoi Ning Street, Hong Kong (the "**Property**"). The Property has an aggregate gross floor area of approximately 4,200 square feet and is for commercial use, with a total consideration of HK$63.98 million. The acquisition of the Property was completed on 28 January 2013.

The acquisition of the Property was subject to two existing tenancies. According to the Provisional S&P Agreement, the two tenancies are for a term from 1 December 2011 to 30 November 2019. The monthly rental of each of the tenancies for the first five years is HK$60,000 and for the second three years is HK$66,000. The Property will be held by the Group as a rental income generating investment. Please also refer to the announcements and circular of the Company dated 16 October 2012 and 18 December 2012 for details.

Employees and Remuneration

As at 31 March 2013, the Group employed 1,702 employees (2012: 1,711). Competitive remuneration packages and relevant training were offered to employees.

* *For identification purposes only*

Total staff cost included directors' emolument amounted to approximately HK$100.6 million (2012: approximately HK$83.1 million). Salaries are reviewed annually based on merit, working performance and the prevailing market condition. The Group may also grant share options under the Company's share option scheme and discretionary bonuses to eligible employees based on the individual performance and the Group's results.

The remuneration and bonuses of executive directors and senior management had been reviewed and approved by the remuneration committee of the Company with reference to (including without limitation) the individual performance, the Group's results, qualification and competence and the prevailing market condition.

Prospects

To cope with the demand of corrugated paper packaging products and to contribute revenue growth to the Group, a steady growth on the production capacity will be maintained. Upon Huidong plant has commenced operation in April 2012, the production burden on Shenzhen plant is relieved and the demands from the Guangdong area is expected to be served better, which will contribute to the Group's revenue.

The Group has also started the construction of Fujian plant and expects the plant will start operation in the year 2014/15. Upon the commencement of operation of the Fujian plant, the total production capacity of the Group will reach more than 500 million square meters of corrugated paper-board and more than 400 million pieces of corrugated paper packaging products.

In order to establish the mutually beneficial relationships between the Group itself and the customers, and to improve the profit margin, the Group will also continue its effort in providing value-added services, including structural design and logistic management. We believe such value-added services can differential the Group from other packaging suppliers and enhance the Group's market position.

As mentioned in the above section headed "Significant Investment Held and Material Acquisition and Disposal", through diversifying the Group's business to webgame and iTools software businesses, the acquisition of TSGL Group during the Year is a strategic investment to the Group. The smartphone world is expanding at a rapid pace. The Group will strive for the opportunities to develop its market share in this industry. These are high value-added businesses compared to the main business. While it requires a certain period of time to develop before the business becomes mature, the Group believes that such business will achieve a strong return to support its growth in the future.

A solid financial foundation is always essential for future development. Regarding the internal operation management, the Group will continuously adopt a prudent approach in cost control and maintain cautious management on inventory level as well as procurement, in order to ensure effective resource usage and a healthy financial status, such as an optimum cash flow and low bad debts.

PURCHASE, SALES OR REDEMPTION OF COMPANY'S LISTED SECURITIES

During the Year, the Company and its subsidiaries had not purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

The Board is committed to maintaining appropriate corporate governance practices to enhance the accountability and transparency of the Company in order to protect its shareholders' interests and to ensure that the Company complies with the latest statutory requirements and professional standards.

The Company has complied with the code provisions set out in the Corporate Governance Code (the "**Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") during the Year.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Listing Rules as the standards for securities transactions by Directors.

All the members of the Board have confirmed, following specific enquires by the Company, that they had complied with the required standards set out in the Model Code throughout the Year.

AUDIT COMMITTEE

The main duties of the Audit Committee are to consider the relationship of external auditors, to review the financial statements of the Group, and to oversee the Group's financial reporting system and internal control procedures. The Audit Committee consists of three independent non-executive directors, namely Mr. LAW Tze Lun, who is also the Chairman of the Audit Committee, Mr. CHAU On Ta Yuen and Ms. TSUI Pui Man.

The Audit Committee, together with the management of the Company and the external auditors, have reviewed this results announcement and the audited consolidated financial statements of the Group for the Year, the accounting principles and practices adopted and discussed auditing, internal controls and financial reporting matters.

DIVIDENDS

The Board proposed the payment of a final dividend of HK2.2 cents per share for the Year, amounting to approximately HK$8.0 million in total. The proposed final dividend is subject to the passing of an ordinary resolution by the shareholders of the Company at the forthcoming annual general meeting of the Company. The record date for entitlement to the proposed final dividend is 10 September 2013. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from 6 September 2013 to 10 September 2013, both days inclusive, and no transfer of shares will be effected on such date. In order to qualify for the proposed final dividend, all transfer of shares, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:00 p.m. on 5 September 2013. It is expected that the final dividend will be paid on or around 30 September 2013.

CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (the "**Annual General Meeting**") is scheduled on 2 September 2013. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from 29 August 2013 to 2 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 Annual General Meeting, all transfer of shares, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:00 p.m. on 28 August 2013.

PUBLIC FLOAT

As far as the Company is aware, more than 25% of the issued shares of the Company were held in public hands as of 31 March 2013.

PRELIMINARY ANNOUNCEMENT OF THE RESULTS AGREED BY AUDITOR

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

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company will be held at 10:00 a.m. on 2 September 2013 at 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong. The notice of annual general meeting will be published on the Company's website at www.comesure.com and the Stock Exchange's website at www.hkexnews.hk and despatched to the shareholders of the Company on or before 26 July 2013.

PUBLICATION OF ANNUAL REPORT

The annual report of the Company will be despatched to the Company's shareholders and published on the websites of the Company and the Stock Exchange in due course.

By Order of the Board
Come Sure Group (Holdings) Limited
CHONG Kam Chau
Chairman

Hong Kong, 28 June 2013

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. CHONG Kam Chau, Mr. CHONG Wa Pan, Mr. CHONG Wa Ching and Mr. CHONG Wa Lam; and three independent non-executive Directors, namely Mr. CHAU On Ta Yuen, Ms. TSUI Pui Man and Mr. LAW Tze Lun.