RYKADAN CAPITAL LIMITED
宏基資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2288)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2014

FINANCIAL HIGHLIGHTS

	For the year ended 31 March	
	2014	2013
	(Audited)	(Audited)
RESULTS		
Profit/(loss) for the year from continuing operations (HK$'000)	**752,266**	(29,481)
Profit for the year from discontinued operations (HK$'000)	–	168,964
Profit for the year – continuing and discontinued operations (HK$'000)	**752,266**	139,483
Profit for the year attributable to – equity shareholders of the Company	**421,874**	138,099
FINANCIAL INFORMATION PER SHARE		
Earnings per share – Basic (HK cents)		
– Continuing operations	**88.4**	(6.5)
– Discontinued operations	–	35.4
	88.4	28.9
	As at 31.3.2014	As at 31.3.2013
Net assets per share (HK$) (Net assets/number of issued ordinary shares of the Company)	**3.00**	2.12

BANK BALANCES AND CASH

As at 31 March 2014, the Group had bank deposits and cash of approximately HK$958 million (2013: HK$230 million).

FINAL DIVIDEND

The Board has proposed the payment of a final dividend of HK32 cents per share.

The board of directors (the "Board") of Rykadan Capital Limited 宏基資本有限公司 (the "Company") hereby announces the consolidated annual results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2014 together with the comparative figures for the year ended 31 March 2013 as follows:

CONSOLIDATED INCOME STATEMENT
For the Year ended 31 March 2014

	Note	**2014**	2013
		$'000	*$'000*
Continuing operations			
Revenue	*3*	**2,201,397**	156,422
Cost of sales and services		**(1,132,785)**	(114,448)
Gross profit		**1,068,612**	41,974
Other revenue	*4(a)*	**2,926**	3,514
Other net income	*4(b)*	**11,294**	2,005
Selling and marketing expenses		**(35,074)**	(4,346)
Administrative and other operating expenses		**(169,143)**	(78,729)
Profit/(loss) from operations		**878,615**	(35,582)
Increase in fair value of investment properties	*10*	**55,373**	–
		933,988	(35,582)
Finance costs	*5(a)*	**(7,118)**	(711)
Share of profits of associates		**21,491**	10,593
Share of loss of a joint venture		**(1,377)**	–
Profit/(loss) before taxation		**946,984**	(25,700)
Income tax	*6*	**(194,718)**	(3,781)
Profit/(loss) for the year from continuing operations		**752,266**	(29,481)
Discontinued operations			
Profit for the year from discontinued operations	*5*	**–**	168,964
Profit for the year	*5*	**752,266**	139,483

CONSOLIDATED INCOME STATEMENT (CONTINUED)

For the Year ended 31 March 2014

	Note	**2014**	2013
		$'000	*$'000*
Attributable to:			
Equity shareholders of the Company		**421,874**	138,099
Non-controlling interests		**330,392**	1,384
Profit for the year		**752,266**	139,483
Earnings per share	*8*		
Basic:			
– Continuing operations		**88.4 cents**	(6.5) cents
– Discontinued operations		**–**	35.4 cents
		88.4 cents	28.9 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year ended 31 March 2014

	2014	2013
	$'000	*$'000*
Profit for the year	**752,266**	139,483
Other comprehensive income for the year (after tax and reclassification adjustments):		
Items that may be reclassified subsequently to profit or loss:		
– Exchange differences arising on translation of foreign operations	**606**	(697)
– Release of translation reserve upon disposal of subsidiaries	**–**	(11,753)
– Share of translation reserve of associates	**744**	724
– Release of translation reserve upon deemed disposal of associates	**–**	(895)
– Net change in fair value of available-for-sale investments	**19,415**	34,952
– Reclassification to profit or loss upon disposal of available-for-sale investments	**(8,914)**	(3,151)
– Release of reserve upon deemed disposal of available-for-sale investments	**(4,440)**	–
Other comprehensive income for the year	**7,411**	19,180
Total comprehensive income for the year	**759,677**	158,663
Comprehensive income for the year attributable to:		
Equity shareholders of the Company	**414,520**	137,049
Non-controlling interests	**345,157**	21,614
Total comprehensive income for the year	**759,677**	158,663

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2014

	Note	**2014**	2013
		$'000	*$'000*
Non-current assets			
Investment properties	*10*	**355,567**	–
Fixed assets	*11*	**52,434**	4,663
Interest in associates		**98,688**	79,453
Interest in a joint venture		**13,584**	–
Available-for-sale investments	*12*	**187,068**	253,526
Goodwill		**27,934**	27,934
Other receivables and deposits		**9,725**	14,340
		745,000	379,916
Current assets			
Properties for sales		**275,481**	1,171,091
Inventories		**91,181**	12,745
Trade and other receivables	*13*	**132,445**	82,793
Amount due from an associate		**–**	2,817
Amount due from a joint venture		**2,034**	–
Amount due from an investee		**–**	35,571
Restricted cash and pledged deposits		**851**	176,683
Bank deposits and cash		**957,847**	230,033
Taxation recoverable		**–**	833
		1,459,839	1,712,566
Current liabilities			
Trade and other payables	*14*	**113,248**	69,310
Deposits received from sale of properties		**–**	388,081
Bank loans	*15*	**161,296**	304,125
Loans from non-controlling shareholders	*16*	**72,097**	154,779
Amount due to an associate		**38,808**	47,609
Dividend payable	*9*	**23,872**	–
Taxation payable		**181,913**	3,511
		591,234	967,415

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 March 2014

	Note	2014 $'000	2013 $'000
Net current assets		**868,605**	745,151
Total assets less current liabilities		**1,613,605**	1,125,067
Non-current liabilities			
Bank loans	15	**161,974**	96,970
Deferred tax liabilities		**20,089**	17,939
		182,063	114,909
NET ASSETS		**1,431,542**	1,010,158
CAPITAL AND RESERVES			
Share capital		**4,774**	4,774
Reserves		**1,233,113**	860,262
Total equity attributable to equity shareholders of the Company		**1,237,887**	865,036
Non-controlling interests		**193,655**	145,122
TOTAL EQUITY		**1,431,542**	1,010,158

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 21 August 2009. The addresses of the registered office and principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and 27/F & 28/F, Rykadan Capital Tower, 135 Hoi Bun Road, Kwun Tong, Kowloon respectively.

The Company acts as an investment holding company and provides corporate management services. The principal activities of its principal subsidiaries are set out in the annual report.

These consolidated financial statements of the Group are presented in Hong Kong dollars ("HKD"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622) "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The principal accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2013 except for the changes stated as below.

CHANGE IN ACCOUNTING POLICIES

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

Amendments to HKAS 1, *Presentation of financial statements – Presentation of items of other comprehensive income*
HKFRS 10, *Consolidated financial statements*
HKFRS 12, *Disclosure of interests in other entities*
HKFRS 13, *Fair value measurement*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Amendments to HKAS 1, Presentation of financial statements – Presentation of items of other comprehensive income

The amendments to HKAS 1 require entities to present separately the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met from those that would never be reclassified to profit or loss. The presentation of other comprehensive income in these financial statements has been modified accordingly.

HKFRS 10, Consolidated financial statements

HKFRS 10 replaces the requirements in HKAS 27, Consolidated and separate financial statements, relating to the preparation of consolidated financial statements and HK-SIC 12, Consolidation – Special purpose entities. It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

As a result of the adoption of HKFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1 April 2013.

HKFRS 12, Disclosure of interests in other entities

HKFRS 12 brings together into a single standard all the disclosure requirements relevant to an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The disclosures required by HKFRS 12 are generally more extensive than those previously required by the respective standards. To the extent that the requirements are applicable to the Group, the Group has provided those disclosures in notes 14 and 15 to the 2014 annual report.

HKFRS 13, Fair value measurement

HKFRS 13 replaces existing guidance in individual HKFRSs with a single source of fair value measurement guidance. HKFRS 13 also contains extensive disclosure requirements about fair value measurements for both financial instruments and non-financial instruments. To the extent that the requirements are applicable to the Group, the Group has provided those disclosures in notes 12 and 29 to the 2014 annual report.

3. SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified four reportable segments. No operating segments have been aggregated to form the following reportable segments.

(a) Property development – This segment derives its revenue from repositioning and value enhancement of property with a focus on development projects in prime locations in both Hong Kong and the People's Republic of China (the "PRC").

(b) Property investment and hospitality operations – This segment derives its revenue from leasing of premises within the Group's investment properties portfolio in the Greater China region and hospitality operation in Asia.

(c) Asset, investment and fund management – This segment derives its revenue from investing in and managing a portfolio of real estate in the Greater China region.

(d) Distribution of construction and interior decorative materials and educational products – This segment derives its revenue from distribution of (i) stone composite surfaces products in the PRC and a license to use the relevant trademark in connection therewith and (ii) educational products in Hong Kong and the PRC.

Segment profit/(loss) represents profit earned by/(loss from) each segment, excluding income and expenses of the corporate function, such as other revenue and other net income, certain administrative and other operating expenses, finance costs, share of profits of associates and share of loss of a joint venture.

All assets are allocated to operating segments other than certain fixed assets, interest in associates, interest in a joint venture, certain available-for-sale investments, certain receivables and deposits, amount due from an investee, amount due from a joint venture, restricted cash and pledged deposits, bank deposits and cash and taxation recoverable.

All liabilities are allocated to operating segments other than certain payables, certain bank loans, certain loans from non-controlling shareholders, taxation payable, deferred tax liabilities and dividend payable.

Information regarding the above operating and reportable segments is reported below.

Segment results

For the year ended 31 March 2014

	Property Investment and hospitality operations	Property development	Asset, investment and fund management	Distribution of construction and interior decorative materials and educational products	Elimination	Consolidated
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
Revenue						
External revenue	2,524	1,940,378	85,163	173,332	–	2,201,397
Inter-segment revenue	–	237,910	6,766	–	(244,676)	–
Total	2,524	2,178,288	91,929	173,332	(244,676)	2,201,397
Segment profit/(loss)	44,182	922,460	54,434	(22,363)*	–	998,713
Corporate expenses						(67,076)
Corporate income						2,351
Finance costs						(7,118)
Share of profits of associates						21,491
Share of loss of a joint venture						(1,377)
Profit before taxation						946,984

* This includes the operating loss of sale and distribution of educational products of $19,153,000.

	Continuing operations				Discontinued operations					
	Property development	Asset, investment and fund management	Distribution of construction and interior decorative materials and educational products	Sub-total	Fitting-out works in Hong Kong	Fitting-out works in Macau	Fitting-out works in the PRC	Sub-total	Elimination	Consolidated
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
Revenue										
External revenue	–	30,430	125,992	156,422	252,543	7,181	65,838	325,562	–	481,984
Inter-segment revenue	–	14,747	46,610	61,357	12,103	–	–	12,103	(73,460)	–
Total	–	45,177	172,602	217,779	264,646	7,181	65,838	337,665	(73,460)	481,984
Segment profit/(loss)	(167)	1,997	15,858	17,688	13,379	1,395	2,041	16,815	–	34,503
Corporate expenses										(46,276)
Corporate income										4,192
Gain on disposal of subsidiaries										144,181
Share of profit of associates										10,593
Finance costs										(1,164)
Profit before taxation										146,029

Segment assets and liabilities

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

	2014	2013
	$'000	*$'000*
Segment assets		
Asset, investment and fund management	**240,294**	187,982
Property development	**327,019**	1,327,045
Property investment and hospitality operations	**357,601**	–
Distribution of construction and interior decorative materials and educational products	**205,869**	75,050
Total segment assets	**1,130,783**	1,590,077
Fixed assets	**318**	1,368
Interest in associates	**98,688**	79,453
Interest in a joint venture	**13,584**	–
Available-for-sale investments	**–**	121,720
Other receivables and deposits	**1,585**	5,766
Amount due from an investee	**–**	35,571
Amount due from a joint venture	**2,034**	–
Restricted cash and pledged deposits	**–**	27,661
Bank deposits and cash	**957,847**	230,033
Taxation recoverable	**–**	833
Total consolidated assets of the Group	**2,204,839**	2,092,482
Segment liabilities		
Asset, investment and fund management	**15,735**	6,541
Property development	**435,193**	953,780
Property investment and hospitality operations	**86,727**	–
Distribution of construction and interior decorative materials and educational products	**139,240**	12,736
Total segment liabilities	**676,895**	973,057
Other payables	**2,344**	45,777
Bank loans	**–**	13,888
Loans from non-controlling shareholders	**50,097**	28,152
Taxation payable	**–**	3,511
Deferred tax liabilities	**20,089**	17,939
Dividend payable	**23,872**	–
Total consolidated liabilities of the Group	**773,297**	1,082,324

Other segment information

For the year ended 31 March 2014

	Property investment and hospitality operations	Property development	Asset, investment and fund management	Distribution of construction and interior decorative materials and educational products	Segment total	Unallocated	Consolidated
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
Amounts included in the measure of segment results or segment assets:							
Additions of fixed assets (including investment properties)	**300,330**	**47,485**	**137**	**1,360**	**349,312**	**90**	**349,402**
Depreciation of fixed assets	**20**	**–**	**240**	**892**	**1,152**	**254**	**1,406**
Gain/(loss) on disposal of fixed assets	**–**	**–**	**85**	**(5)**	**80**	**–**	**80**

For the year ended 31 March 2013

	Continuing operations		Discontinued operations					
	Asset, investment and fund management	Distribution of construction and interior decorative materials and educational products	Fitting-out works in Hong Kong	Fitting-out works in Macau	Fitting-out works in the PRC	Segment total	Unallocated	Consolidated
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
Amounts included in the measure of segment results or segment assets:								
Additions of fixed assets	99	3,687	–	–	309	4,095	1,669	5,764
Depreciation of fixed assets	537	2,002	57	–	233	2,829	516	3,345
Amortisation of intangible assets	–	422	900	–	–	1,322	–	1,322
Gain/(loss) on disposal of fixed assets	–	74	–	–	–	74	(21)	53

Geographical information

The management has categorised turnover from continuing operations by location of customers as follows:

	2014	2013
	$'000	*$'000*
Hong Kong	**1,941,370**	33,992
The PRC	**259,035**	122,029
Others	**992**	401
	2,201,397	156,422

The Group's information about its non-current assets (excluding financial instruments) by geographical location of the assets or by the location of the related operations are detailed below:

	2014	2013
	$'000	*$'000*
Hong Kong	**146,778**	84,893
The PRC	**387,775**	31,766
Others	**13,654**	–
	548,207	116,659

4. OTHER REVENUE AND OTHER NET INCOME

	2014	2013
	$'000	*$'000*
Continuing operations		
(a) Other revenue		
Interest income	**2,351**	2,236
Management fee income	**–**	1,260
Others	**575**	18
	2,926	3,514
(b) Other net income		
Gain on disposal of available-for-sale investments	**11,885**	–
Gain on disposal of fixed assets	**80**	74
Net foreign exchange (loss)/gain	**(671)**	1,883
Others	**–**	48
	11,294	2,005

Gain on disposal of available-for-sale investments included a revaluation surplus of $11,885,000 transferred from the investment revaluation reserve.

	2014	2013
	$'000	*$'000*
Discontinued operations		
(a) Other revenue		
Interest income	**–**	207
Others	**–**	100
	–	307
(b) Other net income		
Net foreign exchange loss	**–**	(104)
Loss on disposal of fixed assets	**–**	(21)
Gain on disposal of available-for-sale investments	**–**	3,151
Others	**–**	344
	–	3,370

5. PROFIT FOR THE YEAR

Profit for the year is arrived at after charging/(crediting):

	2014	2013
	$'000	*$'000*
(a) Finance costs		
Continuing operations		
Interests on bank loans	**13,205**	13,197
Imputed interests on loans from non-controlling shareholders	**2,041**	4,229
	15,246	17,426
Less: amounts capitalised (Note)	**(8,128)**	(16,715)
	7,118	711

Note: Interest was capitalised at an average annual rate of 1.6% (2013: 3.4%).

Discontinued operations		
Interest on bank loans	**–**	453

	2014	2013
	$'000	$'000
(b) Other items		
Continuing operations		
Depreciation of fixed assets	**1,406**	2,791
Amortisation of intangible assets	**–**	422
Total depreciation and amortisation	**1,406**	3,213
Salaries, wages and other benefits	**109,570**	60,564
Contributions to defined contribution retirement plan	**2,487**	2,660
Staff costs (including directors' remuneration)	**112,057**	63,224
Auditors' remuneration	**1,987**	1,573
Cost of inventories	**128,480**	94,458
Cost of trading properties for recognised sales	**979,180**	–
Operating lease payments in respect of leased properties	**11,261**	6,827
Rental receivable from investment properties less direct outgoings of $547,000 (2013: $Nil)	**(985)**	–
Impairment loss:		
– Inventories	**1,862**	–
– Trade receivables	**17,249**	–
Equity settled share-based payment	**6,075**	–
Discontinued operations		
Depreciation of fixed assets	**–**	554
Amortisation of intangible assets	**–**	900
Total depreciation and amortisation	**–**	1,454
Contract costs recognised as expense	**–**	288,021
Operating lease payments in respect of leased properties	**–**	1,641
Rental receivable from investment properties less direct outgoings of $Nil (2013: $6,000)	**–**	(94)
Staff costs:		
Gross staff costs (including directors' remunerations)	**–**	26,314
Less: Staff costs capitalised to contract costs	**–**	(18,696)
	–	7,618

6. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

	2014	2013
	$'000	*$'000*
Continuing operations		
Current tax		
Hong Kong Profits Tax		
– Provision for the year	**171,176**	1,490
– Over-provision in respect of prior year	**–**	(29)
	171,176	1,461
Macau complementary Tax	**–**	48
PRC Enterprise Income Tax	**9,699**	2,272
	180,875	3,781
Deferred tax		
Origination and reversal of temporary differences	**13,843**	–
	194,718	3,781

The provision for Hong Kong Profits Tax is calculated at 16.5% (2013: 16.5%) of the estimated assessable profits for the year, taking into account a one-off reduction of 75% of the tax payable for the year of assessment 2012/2013 subject to a ceiling of $10,000 allowed by the Hong Kong SAR Government for each business.

The provision for Macau Complementary Tax was calculated at progressive rates from 9% to 12% of the estimated assessable profits for the year ended 31 March 2013.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2013: 25%) for the year.

7. DISCONTINUED OPERATIONS

On 16 May 2012, the Group entered into a sales and purchase agreement to partially dispose of its 85% equity interest in Sundart Holdings Limited that carried out all of the Group's fitting-out works in Hong Kong, Macau and the PRC. The disposal was completed on 26 June 2012, on which date the Group lost control in Sundart Holdings Limited. The Group's fitting-out works operations are treated as discontinued operations. For details of the disposal and the discontinued operations, please refer to Notes 14 and 38 of the annual report for the year ended 31 March 2013.

8. EARNING PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company from continuing operations and discontinued operations of $421,874,000 and $Nil respectively (2013: $30,865,000 (loss) and $168,964,000 respectively) and the weighted average number of 477,447,000 ordinary shares in issued during both years.

(b) Diluted earnings per share

There are no potential diluted ordinary shares during the years ended 31 March 2014 and 31 March 2013.

9. DIVIDEND

(i) Dividends payable to equity shareholders attributable to the year

	2014	2013
	$'000	*$'000*
Interim dividend declared of 5 cents per share (2013: 5 cents per share)	**23,872**	23,872
Special dividend declared and paid of Nil cents per share (2013: 35 cents per share)	**–**	167,107
Final dividend declared and paid after the year of 32 cents per share (2013: 5 cents per share)	**152,783**	23,872
	176,655	214,851

Interim dividend of $23,872,000 in respect of the year ended 31 March 2014 was declared on 29 November 2013 and was paid on 9 April 2014.

The final dividend has not been recognised as a liability at the end of the reporting period.

(ii) Dividends payable to equity shareholders attributable to the previous financial year

	2014	2013
	$'000	*$'000*
Final dividend in respect of the previous financial year of 5 cents per share (2013: 6.5 cents per share)	**23,872**	31,034

10. INVESTMENT PROPERTIES

	2014	2013
	$'000	*$'000*
At valuation:		
At 1 April	**–**	6,785
Additions from acquisition of assets through acquisition of a subsidiary (note 17)	**300,238**	–
Disposals	**–**	(6,747)
Revaluation surplus	**55,373**	–
Exchange adjustments	**(44)**	(38)
At 31 March	**355,567**	–

All investment properties are held in the PRC under medium-term leases.

At 31 March 2014, all investment properties were pledged to bank loans.

The investment properties in the PRC were revalued as at 31 March 2014 by Colliers International (Hong Kong) Limited, an independent firm of surveyors who has among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

11. FIXED ASSETS

During the year ended 31 March 2014, the Group acquired items of fixed assets in aggregate of $49,164,000 which primarily consisted of building held for own use of $47,485,000.

12. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

	2014	2013
	$'000	*$'000*
Unlisted investment in an investee (note 17)	**–**	121,720
Unlisted fund investment in the PRC	**98,632**	131,806
Unlisted equity securities in the PRC	**88,436**	–
	187,068	253,526

At 31 March 2013, the unlisted investment in an investee represents equity investment in Bestlinkage NHI Co., Ltd. ("Bestlinkage"). On 31 July 2013, the Group completed the acquisition of the remaining equity interest in Bestlinkage, details are set out in note 17. Bestlinkage is principally engaged in the holding of investment property in the PRC.

The unlisted fund investment represent investment in funds in the PRC. These funds principally invest in real estate properties in the PRC.

13. TRADE AND OTHER RECEIVABLES

	2014	2013
	$'000	*$'000*
Trade receivables	**105,508**	64,541
Other receivables, deposits and prepayments	**36,662**	32,592
	142,170	97,133
Less: Other receivables and deposits expected to be recovered after one year	**(9,725)**	(14,340)
	132,445	82,793

At 31 March 2014, the ageing analysis of trade receivables based on invoice date, net of allowance of bad debts, are as follows:

	2014	2013
	$'000	*$'000*
1-30 days	**47,785**	34,367
31-60 days	**37,116**	22,536
61-90 days	**15,219**	103
Over 90 days	**5,388**	7,535
	105,508	64,541

Except for the Group's trade customers, which the Group allows an average credit period of 90 days (2013: 75 days), all invoices are due upon issue.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customers. Recoverability of the existing customers is reviewed by the Group regularly.

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

The movement in the allowance for doubtful debts during the year is as follows:

	2014	2013
	$'000	*$'000*
Impairment loss recognised	**17,249**	–
Exchange adjustments	**26**	–
At 31 March	**17,275**	–

At 31 March 2014, the Group's trade receivables of $17,275,000 (2013:$Nil) were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that these receivables were not expected to be recovered. Consequently, specific allowances for doubtful debts of $17,275,000 (2013: $Nil) was recognised.

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

	2014	2013
	$'000	*$'000*
Neither past due nor impaired	**93,802**	56,878
1-30 days	**648**	1,895
31-60 days	**1,869**	92
61-90 days	**6,328**	36
Over 90 days	**2,861**	5,640
	11,706	7,663
	105,508	64,541

Receivables that were neither past due nor impaired to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired related to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balance are still considered fully recoverable.

14. TRADE AND OTHER PAYABLES

At 31 March 2014, included in trade and other payables are the trade payables of $78,134,000 (2013: $12,824,000) and the ageing analysis of trade payables, based on the invoice date, is as follows:

	2014	2013
	$'000	*$'000*
1-30 days	**76,709**	9,770
31-60 days	**–**	111
61-90 days	**223**	69
Over 90 days	**1,202**	2,874
	78,134	12,824

15. BANK LOANS

At 31 March 2014, the bank loans and trust receipt loans were repayable as follows:

	2014	2013
	$'000	*$'000*
Within 1 year or on demand	**161,296**	304,125
After 2 years but within 5 years	**145,892**	96,970
After 5 years	**16,082**	–
	161,974	96,970
	323,270	401,095

At 31 March 2014, the bank loans and trust receipt loans were secured as follows:

	2014	2013
	$'000	*$'000*
Secured bank loans	**273,272**	387,207
Unsecured bank loans		
– Bank loans	**15,000**	–
– Trust receipt loans	**34,998**	13,888
	323,270	401,095

(a) At 31 March 2014, bank loans drawn in Hong Kong bear interest at the rates range from 2.0% to 2.5% (2013: 2.0% to 2.5%) per annum over the Hong Kong Interbank Offer Rate or London Interbank Offer Rate and interests are repriced every one to three months.

(b) At 31 March 2014, bank loans drawn in the PRC bear interest at the People's Bank of Chinese Base Interest Rate per annum (2013: $Nil).

(c) At 31 March 2014, the bank loans of approximately $149,066,000 (2013: $13,888,000) that are repayable within one year from the end of the reporting period contains a repayable on demand clause.

(d) At 31 March 2014, the banking facilities of certain subsidiaries of the Group were secured by mortgages over the investment properties, properties for sale and buildings held for own use with an aggregate carrying value of $355,567,000 (2013: $Nil), $274,928,000 (2013: $1,171,091,000) and $47,485,000 (2013: $Nil) respectively. Such banking facilities amounted to $414,175,000 (2013: $929,370,000) were utilised to the extent of $273,272,000 at 31 March 2014 (2013: $387,207,000).

(e) All of the Group's banking facilities are subject to the fulfilment of covenants relating to certain of the Group's statement of financial position ratios. If the Group were to breach the covenants the drawn down facilities would become repayable on demand. The Group regularly monitors its compliance with these covenants. At 31 March 2014, none of the covenants relating to the drawn down facilities had been breached (2013: $Nil).

16. LOAN FROM NON-CONTROLLING SHAREHOLDERS

(a) At 31 March 2014, the loans from non-controlling shareholders of $72,097,000 (2013: $50,152,000) are unsecured, interest-free and are repayable on demand.

(b) At 31 March 2013, included in the loans from non-controlling shareholders were the amounts of $104,627,000 which were unsecured, interest-free and were repayable after the settlement of bank loans advanced to Vital Success Development Limited, a non-wholly owned subsidiary of Wit Legend Investments Limited ("Wit Legend").

Pursuant to the terms of shareholder's agreement entered into between the Group and the two non-controlling shareholders of Wit Legend on 24 June 2011, the board of directors of Wit Legend may request all shareholders of Wit Legend to provide interest-free loans in accordance with their respective shareholding ratios. Fair value adjustments at effective interest rate of 4.1% per annum on these additional interest-free loans were made at initial recognition and were recognised in equity as deemed capital contribution from non-controlling shareholders. As at 31 March 2013, the aggregate principal amount of the loans from non-controlling shareholders of Wit Legend was $107,256,000.

The bank loans were fully repaid in January 2014, and accordingly, the full amount of the loans from non-controlling shareholders of Wit Legend was repaid during the year ended 31 March 2014.

(c) During the year ended 31 March 2014, finance costs of $2,041,000 (2013: $4,229,000) were recognised of which imputed interest costs of $1,749,000 (2013: $3,641,000) has been capitalised in properties under development for sale.

17. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF A SUBSIDIARY

On 1 August 2012, Best Key Holding Limited ("Best Key"), a wholly owned subsidiary of the Company, China Real Estates Investment Holdings Limited, an independent third party to the Group, Kailong REI Project Investment Consulting (Hong Kong) Co. Limited ("KLR Hong Kong") and Kings Haul Limited ("Kings Haul"), non-wholly owned subsidiaries of the Company, had entered into the Kings Haul shareholders agreement setting out, amongst others, the manner of management of and shareholders' financial commitments to Kings Haul.

On the same date, Kings Haul and Fine Elite Holdings Limited ("Fine Elite"), an independent third party, had entered into share purchase agreement ("SP Agreement") in relation to 70% equity interest in Power City Investments Limited ("Power City") at a cash consideration of approximately RMB58,097,000 (equivalent to approximately $71,334,000) (the "Acquisition").

Power City holds 76% equity interest in Bestlinkage and the remaining 24% equity interest in Bestlinkage is owned by an independent third party ("Local Partner"). It is a condition of the SP Agreement that Power City will undertake the purchase by Power City from the Local Partner of the 24% equity interest in Bestlinkage held by the Local Partner pursuant to the terms and subject to the conditions of the Buy-Out agreement (the "Buy-Out"). However, the completion of the Buy-Out ("Buy-Out Completion") is not a condition of the completion of the Acquisition ("Acquisition Completion"). The Acquisition was completed on 14 August 2012. The remaining consideration of RMB32,142,000 (equivalent to approximately $39,151,000) is payable upon Buy-out Completion.

In addition, pursuant to the SP Agreement, Fine Elite has agreed to grant to Kings Haul an option to have Fine Elite buy back the 70% equity interest in Power City from Kings Haul ("Share Buyback Option") for an amount equivalent to RMB58,097,000. Kings Haul shall be entitled to exercise the Share Buyback Option at any time in the event that there is no Buy-Out Completion or Power City fails to undertake the Buy-Out such that Power City fails to become the registered and beneficial owner of 100% equity interest of Bestlinkage within seven months commencing from the date of Acquisition Completion, or within an extended period as agreed by Kings Haul.

Pursuant to the Power City shareholders agreement entered into among Kings Haul, Fine Elite and Power City on 1 August 2012, upon the Acquisition Completion and prior to the Buy-Out completion, the board of Power City shall consist of 3 directors, which comprise of 1 director appointed by Fine Elite and 2 directors appointed by Kings Haul. However, the board of Bestlinkage shall have 7 directors and Power City has the right to appoint 5 directors out of which Kings Haul and Fine Elite is entitled to nominate 1 director and 4 directors respectively through Power City. No change would be al1owed on the above director appointment arrangement relating to the board of directors of Bestlinkage until the Buy-Out Completion. The board of directors of Power City and Bestlinkage are responsible for making decisions relating to the financial and operating policies of Power City and Bestlinkage respectively and all resolutions should be determined by the board by a simple majority vote. After considering, amongst others, the board representation of the Group, the directors of the Company are of the view that the Group is able to obtain control over Power City but unable to obtain control over Bestlinkage prior to the Buy-Out Completion.

As at 31 March 2013, the Buy-Out has not been completed and the Group had not exercised the Share Buyback Option. In the opinion of the directors of the Company, Kings Haul has contractual obligation to pay the remaining consideration of RMB32,142,000 (equivalent to approximately $39,188,000) in relation to the acquisition of 70% equity interest in Power City even if the Company chose not to exercise the Share Buyback Option in the case when Buy-Out was not completed in accordance with the terms and conditions as set out in the SP Agreement. The directors also considered the fair value of the Share Buyback Option was insignificant.

At 31 March 2013, the Group recognised the 76% equity investment in Bestlinkage as available-for-sale investments – investment in an investee. The amount due from an investee was unsecured, interest-free and repayable on demand.

On 31 July 2013, the Buy-Out was completed through acquiring the remaining 24% equity interest in Bestlinkage with a consideration of $33,845,000 and the Group did not exercise the Share Buyback Option. The Group paid the remaining consideration of RMB32,142,000 (equivalent to approximately $39,188,000) to Fine Elite.

In the opinion of the directors of the Company, the Acquisition did not constitute a business combination in accordance with HKFRS 3, Business combination, as the major underlying assets to be acquired through the Acquisition are investment property located in Shanghai, PRC and related assets owned by Bestlinkage. Therefore, the Acquisition has been accounted for as an acquisition of assets and liabilities through acquisition of a subsidiary.

The net assets acquired on the Buy-Out Completion are as follows:

	$'000
Net assets acquired:	
Investment property	300,238
Bank deposits and cash	11,644
Other receivables and deposits	1,975
Trade and other payables	(18,517)
Bank loans	(82,974)
Amount due to an investor	(56,801)
	155,565
Cash consideration paid	33,845
Add: Deemed disposal of available-for-sale investments	121,720
	155,565

BUSINESS AND FINANCIAL REVIEW

Overview

The year ended 31 March 2014 has been challenging due to the introduction of various government stamp duties measures in Hong Kong, resulting in stay stagnate in the market on both the residential and commercial property. At the same time, the policies on the property market in the People's Republic of China ("the PRC") are still uncertain after the transition of government leadership in the PRC. Despite these challenges, the Group is confident that the Group will be able to pursuing and securing high potential investments in real estate sectors from this uncertain market condition by utilizing its abundant cash balance and accelerate the growth of the Group in the coming years. The Group invests with a view of growing asset values, achieving stable yields and exiting within a three-to-five year horizon.

During the year, the Group's investments included commercial and residential property developments in Hong Kong and the PRC. It has also holds investments in companies operating in the areas of asset, investment and fund management; hospitality; education; fitting-out, as well as in the distribution of interior decorative materials.

As at 31 March 2014, the Group's total assets was valued at HK$2,205 million (2013: HK$2,092 million), of which HK$1,460 million (2013: HK$1,713 million) was current assets, approximately 2.5 times (2013: 1.8 times) of current liabilities. Equity attributable to the owners of the Company was HK$1,238 million (2013: HK$865 million).

Overall Performance

During the year ended 31 March 2014, the Group recorded consolidated revenue of HK$2,201 million, up 1,307.3% compared to the previous year (2013: HK$156 million), after the Group booked revenue from the sale of 19 floors of Rykadan Capital Tower. As a result, gross profit for the year rose to HK$1,069 million, up 2,445.9% (2013: HK$42 million), while gross profit margin for the year was 48.6% (2013: 26.8%).

The net profit for the year for continuing operations was HK$752 million, compared to a loss of approximately HK$29 million in the previous year. The rise in net profit was mostly attributed to revenue booked from the sale of Rykadan Capital Tower of HK$1,940 million, as well as a revaluation surplus on investment property of HK$55 million (2013: Nil). Excluding the revaluation surplus, net profit of continuing operations for the year would be HK$697 million. The profit for the year attributable to the equity shareholders of the Company was HK$422 million (2013: HK$138 million) and the basic earnings per share for the year ended 31 March 2014 was HK 88.4 cents (2013: HK 28.9 cents).

The board declared a final dividend per share of HK 32 cents (2013: HK 5 cents). Combined with the interim and special dividend per share of HK 5 cents (2013: HK 5 cents) and nil (2013: HK 35 cents) respectively, already declared, total dividends for the year is HK 37 cents (2013: HK 45 cents).

Material Acquisitions and Disposals

No material acquisitions and disposals occurred during the year.

Investment Portfolio

As at 31 March 2014, the Group had bank deposits and cash of approximately HK$958 million (2013: HK$230 million), representing 43.4% (2013: 11.0%) of the Group's total assets.

The following table shows the Group's investments as at 31 March 2014.

Real estate investments

Investment	*Location*	*Type*	*Group interest*	*Status as of 31/3/2014*	*Total gross floor area*	*Attributable gross floor area*
2702, 2802 and various car parking spaces of Rykadan Capital Tower	135 Hoi Bun Road, Kwun Tong, Kowloon	Commercial property	100%	Completed (Classified as properties for sales)	13,467 square feet	13,467 square feet
Kailong Nanhui Business Park	An industrial complex located at No. 2300 Xuanhuang Road, Huinan County, Pudong New District, Shanghai, PRC	Commercial property	61.24%	Refurbishment complete, being marketed to tenants	52,304 square metres	32,031 square metres
Kwun Chung Street Property Project	Kowloon Inland Lot No. 11229	Residential/commercial property	80% (Subsequent to the year end, the Group acquired remaining 20% of interest from non-controlling shareholder and wholly-own the project)	Under construction	25,305 square feet	20,244 square feet (The attributable gross floor area become 25,305 square feet after the Group wholly-owned the project)

Venture capital investments

Investment	*Business/type*	*Group interest*
Wing Lok Innovative Education Organization Cooperation	Education software developer, educational publication content provider and pre-school learning centre service provider	51%

Other investments

Investment	*Business/type*	*Group interest*
Kailong REI Project Investment Consulting (Hong Kong) Co. Limited	Asset, investment and fund management	39.74%
Q-Stone Building Materials Limited	Distribution of stone composite surfaces products	100%
Rykadan Hospitality Investment Pte. Ltd.	Investment in high potential hospitality and tourism related assets, including hotels and resorts, attractions, food and beverage businesses, and hospitality service training and education	100%
RS Hospitality Private Limited	A joint venture of operating 24-suite boutique resorts in Bhutan	50%
Sundart Holdings Limited	Fitting-out contractor	15%

Summary and review of investments

Rykadan Capital Tower

Located in the heart of Kwun Tong, Hong Kong's emerging second CBD, Rykadan Capital Tower is a 25-storey commercial tower with a gross floor area of 252,820 square feet, overlooking Victoria Harbour and within walking distance of the MTR. It is the Group's first real estate development project and also its first investment entered into under a co-investment model, with Secured Capital co-investing in the project in 2011.

In November 2012, the Group pre-sold all available floors for a total of approximately HK$1.94 billion, while retaining two floors for its own use and for potential rental income. The Group obtained all necessary permits on 31 December 2013 and revenue of HK$1.94 billion was recorded upon assignment of floors and car parking spaces in January 2014.

Rykadan Capital Tower has incurred operating profit before taxation and finance costs of HK$922 million during the year.

Kailong Nanhui Business Park

In August 2013, the Group completed the acquisition of the Kailong Nanhui Business Park.

Kailong Nanhui Business Park is a 52,304 square metre newly-refurbished and high-end business park located in Shanghai under medium term lease and is the Group's first showcase property project in the PRC. The site consists of five high-quality buildings conveniently located near the Shanghai Pudong International Airport, Shanghai Harbor City and the newly announced Shanghai Free Trade Zone. The site offers tenants preferential tax and subsidy policies due to its location in the Nanhui Industrial Zone of Shanghai.

The Group expects that given time, the site will generate stable rental returns as demand for office space increases with the development of the Shanghai Free Trade Zone and following the extension of the Shanghai metro to the area. The Group is currently targeting large, quality tenants and will consider off-loading the buildings at a later stage.

As at 31 March 2014, around 8% of the park had been leased. The Group booked a valuation gain of HK$55 million on the property as at 31 March 2014.

Kwun Chung Street Property Project

The Group plans to construct a 25-story tower with a total gross floor area of approximately 25,305 square feet on Kwun Chung Street in Kowloon's Jordan district, located near the planned terminus of the Guangzhou–Shenzhen–Hong Kong Express Rail Link. The planned building will primarily consist of boutique luxury apartments, with lower floors equal to approximately 4,670 square feet for commercial use. The Group plans to sell the entire building upon completion of the project, expected in 2016.

Subsequent to the year end, the Group acquired the remaining 20% of the issued shares from the non-controlling shareholder and the Group wholly-own Kwun Chung Street Property Project and hence can have more flexibility in the decision making process concerning matters relating to the development of the Kwun Chung Street Property.

Wing Lok Innovative Education Organization Corporation ("Wing Lok")

Wing Lok is the Group's first venture capital investment. It is an educational software developer, educational publication provider and pre-school learning centre service provider.

Wing Lok's business is underpinned by its "App Learning" program, which was rolled out to pre-schools in Hong Kong and the PRC in late 2013. The program uses tablet computers and a suite of 1,200 educational apps to encourage class, group, and independent learning.

Wing Lok has incurred operating loss before taxation and finance costs of HK$19 million during the year. The operating loss is mainly due from the production cost for apps amounted at HK$8 million.

Kailong REI Project Investment Consulting (Hong Kong) Co., Limited ("KLR Hong Kong")

KLR Hong Kong is a leading player in the PRC's real estate investment, asset management and fund management market. It provides comprehensive asset management services for foreign and local property investors, as well as its own Renminbi ("RMB") real estate funds and an offshore United States Dollar ("USD") real estate fund.

As of 31 March 2014, KLR Hong Kong held investments in, and provided asset management services for ten real estate projects in Shanghai and Chengdu. KLR Hong Kong also manages two real estate funds in Suzhou, with total capital of RMB799 million and has invested in around RMB1,963 million worth of property. It has also completed its first offshore USD real estate fund during the year, with total capital of US$100 million, which will invest in PRC real estate assets, as well as Hong Kong commercial real estate assets.

KLR Hong Kong has incurred operating profit before taxation and finance costs of HK$54 million during the year.

Q-Stone Building Materials Limited ("Q-Stone")

Q-Stone is a wholly-owned subsidiary of the Group and the exclusive distributor of Quarella, a world leader in the production of quartz and marble-based stone composite surfaces products in the China market. Quarella was established over 40 years ago with factories and research and development centres in Italy. Quarella's products are popularly used for benchtops, bathroom surfaces and floor tiles. It has supplied materials for a number of prominent commercial buildings and shopping malls in the PRC and Hong Kong.

Q-Stone maintains an order book, with contracts worth HK$142 million to be completed in the coming year. Q-Stone has renewed its exclusive distribution agreement with Quarella for another five years.

Q-Stone has incurred gross profit and operating loss of HK$44 million and HK$3 million respectively during the year, the operating loss is mainly due from the expenses related to equity settled share-based payment transactions granted to an independent consultant amounted at HK$6 million and a provision for doubtful debts amounted at HK$17 million during the year. The provision for doubtful debts is mainly made on one customer which is currently facing financial difficulty.

Rykadan Hospitality Investments Pte. Ltd. ("Rykadan Hospitality")

Rykadan Hospitality is the Group's recently formed hospitality investment and management services arm, based in Singapore, and is a wholly-owned subsidiary of the Group.

While still in the initial investment stage, the Group invests in high potential hospitality and tourism related assets, including hotels and resorts, attractions, food and beverage businesses, and hospitality service training and education.

In March 2014, Rykadan Hospitality officially opened its first resort in Bhutan's Punakha Valley, an emerging high-end tourism destination, under the new Dhensa Luxury Resorts brand. The Punakha Valley's resort is held by a joint venture with a local partner in Bhutan. Feedback from the market in the first few months of the resort's operation has been positive and the Group has been satisfied with its performance. The 24-suite resort is the first of a pipeline of luxury resorts, villas and other hospitality projects in Asia and Europe.

Rykadan Hospitality has incurred operating loss of HK$10 million during the year.

Sundart Holdings Limited

As a leading fitting-out contractor in Hong Kong and Macau, Sundart Holdings Limited has continued to win new projects throughout the year, while further been expanding in the PRC market by leveraging on the well-established connections of Beijing Jangho.

Outlook

The Group remains optimistic about the prospects of its business, as global economic conditions steadily improve. Although slowing economic growth in the PRC and stagnation in the Hong Kong property market may impact some of the Group's investments in the short-term, it continues to see strong long-term value in Hong Kong and the PRC real-estate markets, particularly in prime city such as Shanghai.

The Group is currently evaluating investment opportunities in overseas commercial and residential real estate assets, particularly in London and certain parts of the United States, in order to achieve sustainable returns and reasonable capital gains for shareholders. It will also continue to leverage and invest in the experience of its management team and business partners to support its future performance and materialise its investments in a timely manner to unlock value.

CORPORATE FINANCE AND RISK MANAGEMENT

Liquidity and Financial Resources

The management and control of the Group's financial, capital management and external financing functions are centralised at its headquarters in Hong Kong. The Group adheres to the principle of prudent financial management to minimise financial and operational risks. The Group mainly relies upon internally generated funds and bank borrowings to finance its operations and expansion.

As at 31 March 2014, the Group's total debts (representing total interest-bearing bank borrowings) to total assets ratio was 14.7% (2013: 19.2%). The net gearing ratio (net debts, as defined by total debts less unrestricted bank balances and cash, to equity attributable to equity shareholders of the Company) was Nil (2013: 19.8%) as the Group has net cash of HK$635 million as at 31 March 2014 (2013: net debts of HK$171 million).

At 31 March 2014, the Group has total bank borrowings of HK$323 million (2013: HK$401 million). The bank borrowings of the Group were mainly to finance the retaining two floors of Rykadan Capital Tower, Kwun Chung Street Property Project and Kailong Nanhui Business Park. Of the total bank borrowings, the bank loans of HK$273 million were secured by the properties for sales, investment properties and buildings held for own use of which HK$97 million will be repayable upon sale of properties. Further costs for developing the Kwun Chung Street Property Project will be financed by unutilised banking facilities.

The liquidity of the Group remains strong and healthy. As at 31 March 2014, the Group's current assets and current liabilities were HK$1,460 million (2013: HK$1,713 million) and HK$591 million (2013: HK$967 million) respectively. The Group's current ratio increased to 2.47 (2013: 1.77). The internally generated funds, together with unutilised banking facilities enable the Group to meet its business development needs.

The Group will cautiously seek new investment and development opportunities in order to balance risk and opportunities and maximise shareholders' value.

Exposure to Fluctuations in Exchange Rates and Interest Rates and Corresponding Hedging Arrangements

The Group's bank borrowings have been made at floating rates.

The Group operates in various regions with different foreign currencies including Euro, United States Dollars and Renminbi. The exchange rates for the foresaid currencies are relatively stable.

The Group has no hedging arrangements for foreign currencies or interest rates. The Group reviews the exchange risk regularly and closely monitors the fluctuation of foreign currencies and will make proper adjustments if necessary.

Contingent Liabilities

At the end of the reporting period, the Company has issued guarantee to banks in respect of banking facilities granted to certain wholly owned subsidiaries of HK$557,065,000 (2013: HK$1,114,585,000). The banking facilities were utilised to the extent of HK$332,593,000 (2013: HK$401,095,000, as at 31 March 2014). The directors do not consider it probable that a claim will be made against the Company under any of the guarantees. The Company has not recognised any deferred income in respect of these guarantees and no transaction price was incurred.

Employees and Remuneration Policies

As at 31 March 2014, the Group had 130 full-time employees (2013: 107 full-time employees). The Group offers an attractive remuneration policy and provides external training programmes which are complementary to certain job functions. Total remuneration for employees (including the directors' remuneration) was HK$112 million for the year (2013: HK$90 million). The increase in total remuneration of the employees was mainly attributable to the Group's distribution of a generous bonus resulting from disposal of all available floors of Rykadan Capital Tower, the Group's first real estate development project.

EVENT AFTER THE REPORTING PERIOD

On 11 June 2014, Fast Global Holdings Limited, a direct wholly-owned subsidiary of the Company, entered into an agreement with Core Elements Holdings Limited to acquire the remaining 20% of the issued shares in Centuria Global Limited (prior to acquisition, an indirect non-wholly owned subsidiary indirectly holding the Kwun Chung Street Property Project). For details, please refer to the voluntary announcement by the Company dated 11 June 2014.

SCOPE OF WORK OF KPMG

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 ended 31 March 2014 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by KPMG 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 KPMG on the preliminary announcement.

PROPOSED FINAL DIVIDEND

A final dividend of HK32 cents per share for the year ended 31 March 2014 has been proposed by the Board and is subject to approval by the shareholders in the forthcoming annual general meeting. Upon approval by the shareholders, the proposed final dividend will be paid on 17 September 2014 to the shareholders of the Company whose names appear on the Company's register of members as at 5 September 2014.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The 2014 annual general meeting (the "AGM") of the Company is scheduled to be held on 12 August 2014. For determining the qualification as shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 8 August 2014 to Tuesday, 12 August 2014, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, investors are urged to lodge all transfers of shares accompanied by the relevant share certificates with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 7 August 2014.

CLOSURE OF REGISTER OF MEMBERS FOR DIVIDEND

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 4 September 2014 to Friday, 5 September 2014, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the entitlement to 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, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 3 September 2014.

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

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

CORPORATE GOVERNANCE

During the year, the Company had complied with the code provisions and certain recommended best practices set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules, except the following deviations:

Code provision A.1.1 of the CG Code stipulates that regular board meetings should be held at least four times a year at approximately quarterly intervals. There were five Board meetings held during the year ended 31 March 2014, two of which were regular meetings held for approving the final results for the year ended 31 March 2013 and the interim results for the period ended 30 September 2013. The Company has not held the other two regular Board meetings as it is not required under the Listing Rules to publish quarterly results.

Mr. Chan has been appointed as Chief Executive Officer of the Company on 1 July 2012 and is now both the Chairman and the Chief Executive Officer of the Company, and that the functions of the Chairman and the Chief Executive Officer in the Company's strategic planning and development process overlap. These constitute a deviation from code provision A.2.1 of the CG Code which stipulates that the roles of the Chairman and the Chief Executive should be separate and should not be performed by the same individual. However, in view of the present composition of the Board, the in-depth knowledge of Mr. Chan of the operations of the Group and of the property development and real estate/asset management business in Hong Kong and the PRC, his extensive business network and the scope of operations of the Group, the Board believes it is in the best interests of the Company for Mr. Chan to assume the roles of Chairman and Chief Executive Officer at this time and that such arrangement be subject to review by the Board from time to time.

Under code provision A.6.7 of the CG Code, the independent non-executive directors should attend general meetings of the Company. Some independent non-executive directors were absent from the last annual general meeting held on 23 August 2013 due to other business commitments.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions of the directors, senior management and relevant employees (who, because of their office or employment, is likely to possess inside information in relation to the Company or its securities) of the Group (the "Securities Code") with terms no less exacting than that of the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Having made specific enquiries, all of the directors and relevant employees of the Group confirmed that they have complied with the Securities Code and the Model Code throughout the year ended 31 March 2014.

AUDIT COMMITTEE REVIEW

The Audit Committee comprises three independent non-executive directors, namely Mr. Ho Kwok Wah, George (Chairman of the Audit Committee), Mr. To King Yan, Adam and Mr. Wong Hoi Ki, with the chairman possessing the appropriate professional qualifications and accounting expertise. The Company's annual results for the year ended 31 March 2014 have been reviewed by the Audit Committee.

PUBLICATION OF RESULTS ANNOUNCEMENT

This results announcement is available for viewing on the websites of the Hong Kong Exchanges and Clearing Limited (http://www. hkexnews.hk) and the Company (http://www.rykadan.com) and the annual report for the year ended 31 March 2014 of the Company containing all the information required by the Listing Rules will be dispatched to the Company's shareholders and published on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to our shareholders and our management team for their invaluable support throughout this year of transformation. I would also like to thank our staff for their continued commitment to the Group.

We look forward to the coming years with optimism and ask for your continued support as we continue to create value and grow our business.

For and on behalf of the Board
Rykadan Capital Limited
宏基資本有限公司
CHAN William
Chairman and Chief Executive Officer

Hong Kong, 25 June 2014

As at the date of this announcement, the Board comprises Mr. CHAN William (Chairman and Chief Executive Officer), Mr. NG Tak Kwan and Mr. YIP Chun Kwok (Chief Financial Officer) as executive directors and Mr. TO King Yan, Adam, Mr. WONG Hoi Ki and Mr. HO Kwok Wah, George as independent non-executive directors.