昊天發展集團有限公司

Hao Tian Development Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00474)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2015

The Directors of Hao Tian Development Group Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2015 together with the comparative figures for the corresponding period in 2014 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2015

	NOTES	2015 HK$'000	2014 HK$'000
Continuing operations			
Revenue	3	**60,899**	40,323
Gross proceeds from sale of investments held for trading		**208,660**	–
Total		**269,559**	40,323
Revenue	3	**60,899**	40,323
Other income	5	**9,079**	5,523
Other gains and losses	6	**1,918,000**	(59,733)
Administrative expenses		**(75,433)**	(78,486)
Finance costs	7	**(66,354)**	(14,236)
Profit (loss) before taxation		**1,846,191**	(106,609)
Taxation	8	**(323,813)**	(256)
Profit (loss) for the year from continuing operations	9	**1,522,378**	(106,865)

	NOTE	2015 HK$'000	2014 HK$'000
Discontinued operations			
Profit for the year from discontinued operations		**–**	94,406
Profit (loss) for the year		**1,522,378**	(12,459)
Other comprehensive (expense) income:			
Items that will not be reclassified subsequently to profit or loss:			
Reclassification adjustments relating to foreign operations disposed		**(14)**	(87,686)
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale investments:			
– fair value changes		**499,254**	193,626
– impairment loss recognised		**–**	24,613
– reclassified to profit or loss upon disposal		**(141,405)**	(29,061)
– reclassification adjustments relating to foreign operations disposed		**–**	(2,126)
Exchange difference arising on translation of foreign operations		**(165)**	12,591
Other comprehensive income for the year, net of tax		**357,670**	111,957
Total comprehensive income for the year		**1,880,048**	99,498
Profit (loss) for the year attributable to owners of the Company			
– from continuing operations		**1,522,565**	(106,821)
– from discontinued operations		**–**	94,406
Profit (loss) for the year attributable to owners of the Company		**1,522,565**	(12,415)
Loss for the year from continuing operations attributable to non-controlling interests		**(187)**	(44)
		1,522,378	(12,459)
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		**1,880,235**	99,542
Non-controlling interests		**(187)**	(44)
		1,880,048	99,498
			(Restated)
Earnings (loss) per share	*11*		
From continuing and discontinued operations			
– Basic and diluted *(HK cents)*		**68.63**	(0.77)
From continuing operations			
– Basic and diluted *(HK cents)*		**68.63**	(6.61)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2015

	NOTES	**2015** ***HK$'000***	2014 *HK$'000*
Non-current assets			
Property, plant and equipment		**82,935**	73,410
Prepaid lease payment		**17,761**	–
Premium over prepaid lease payment		**133,261**	–
Available-for-sale investments	*12*	**1,288,455**	1,056,319
Financial assets designated at fair value through profit or loss	*13*	**–**	4,745
Derivative financial instruments	*13*	**585,324**	550,573
Loan receivables	*15*	**56,365**	6,572
Deposits		**1,017**	151,011
		2,165,118	1,842,630
Current assets			
Inventories		**1,239**	2,776
Trade and bills receivables	*14*	**30,967**	80,473
Other receivables, deposits and prepayments		**250,081**	9,332
Loan receivables	*15*	**387,650**	267,035
Consideration receivables	*17*	**152,230**	166,946
Investments held for trading	*16*	**2,956,687**	–
Prepaid lease payment		**370**	–
Pledged bank deposits		**45,276**	44,613
Bank balances and cash		**203,575**	416,322
		4,028,075	987,497

	NOTES	2015 HK$'000	2014 HK$'000
Current liabilities			
Bills payables	*18*	**–**	24,748
Other payables, deposits received and accruals		**11,478**	8,866
Borrowings	*20*	**572,801**	210,000
Derivative financial instruments	*13*	**202,601**	–
Tax payables		**21,298**	18,656
Deferred tax liability	*19*	**315,155**	–
		1,123,333	262,270
Net current assets		**2,904,742**	725,227
Total assets less current liabilities		**5,069,860**	2,567,857
Non-current liabilities			
Borrowings	*20*	**144,550**	14,000
Net assets		**4,925,310**	2,553,857
Capital and reserves			
Share capital	*21*	**29,443**	198,602
Reserves		**4,895,867**	2,350,301
Equity attributable to owners of the Company		**4,925,310**	2,548,903
Non-controlling interests		**–**	4,954
Total equity		**4,925,310**	2,553,857

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

1. GENERAL

Hao Tian Development Group Limited (the "Company") is 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"). Its immediate and ultimate holding company is Asia Link Capital Investment Holding Limited, which is incorporated in the British Virgin Islands ("BVI"), and the ultimate controlling shareholder is Ms. Li Shao Yu, the chief executive of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporation Information section of the annual report.

The principal activities of the Company are investment holding and provision of management service to its subsidiaries.

The Group's consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

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

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

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities
Amendments to HKAS 32	Offsetting financial assets and financial liabilities
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting
HK(IFRIC) – INT 21	Levies

The application of the amendments to the HKFRSs and new interpretation in the current year 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.

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

HKFRS 9	Financial instruments[1]
HKFRS 15	Revenue from contracts with customers[2]
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture[4]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception[4]
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations[4]
Amendments to HKAS 1	Disclosure initiative[4]
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation[4]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants[4]
Amendments to HKAS 19	Defined benefit plans: Employee contributions[3]
Amendments to HKAS 27	Equity method in separate financial statements[4]
Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle[5]
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle[3]
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle[4]

[1] *Effective for annual periods beginning on or after 1 January 2018*

[2] *Effective for annual periods beginning on or after 1 January 2017*

[3] *Effective for annual periods beginning on or after 1 July 2014*

[4] *Effective for annual periods beginning on or after 1 January 2016*

[5] *Effective for annual periods beginning on or after 1 July 2014, with limited exceptions*

HKFRS 9 Financial instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for hedge accounting. Another revised version of HKFRS 9 was issued in September 2014 mainly to include a) impairment requirements for financial assets; b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' measurement category for certain simple debt instruments.

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.

The directors 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 (e.g. the Group's unlisted shares in overseas that are currently classified as available-for-sale investments will have to be measured at fair value at the end of subsequent reporting periods, with changes in the fair value being recognised in profit or loss or other comprehensive income, as appropriate). Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of the effects of adoption until a detailed review has been completed.

HKFRS 15 Revenue from contracts with customers

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 "Revenue", HKAS 11 "Construction Contracts" and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, HKFRS 15 introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

The directors of the Company anticipate that the application of the other new and revised HKFRSs will have no material impact on the consolidated financial statements.

3. REVENUE

Revenue represents interest income generated from lending of money to outside borrowers and income from rendering of services generated when the services are provided. An analysis of the Group's revenue for the year from continuing operations is as follows:

	2015	2014
	HK$'000	*HK$'000*
Interest income generated from money lending	**60,399**	39,144
Service income generated from trading of commodities	**500**	1,179
	60,899	40,323

4. SEGMENT INFORMATION

The Group is currently organised into below operating divisions:

(a) Money lending – Hao Tian Finance Company Limited

(b) Trading of commodities – Hao Tian Management (Hong Kong) Limited and Hao Tian Oil & Gas Development Group Limited

(c) Securities investment – Hao Tian Management (Hong Kong) Limited

(d) Trading of futures – Hong Kong Energy & Mining Investment Management Limited and Hao Tian Management (Hong Kong) Limited

The operating divisions are the basis of internal reports about components of the Group that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker, in order to allocate resources to segments and to assess their performance.

During the year ended 31 March 2015, the board of directors of the Company has conducted a review of the Group's latest business development and strategy going forward and has resolved to engage in trading of listed securities and futures. Securities investment and trading of futures have been regarded as reportable segments of the Group during the current year.

During the year ended 31 March 2014, the Group's operations in respect of sale of plastic and paper boxes for luxury consumer goods ("Package Box Operation") and developing of underground coking coal mine, coal production and sale of coal ("Xinjiang Coal Mining Operation") were discontinued. The segment information reported below does not include any amounts for the Group's Package Box Operation and Xinjiang Coal Mining Operation.

No segment assets and liabilities are presented as the chief operating decision maker does not regularly review segment assets and liabilities.

Segment revenue and results

The following is an analysis of the Group's revenue and results for continuing operations by operating and reportable segment.

For the year ended 31 March 2015

	Money lending *HK$'000*	Trading of commodities *HK$'000*	Securities investment *HK$'000*	Trading of futures *HK$'000*	Consolidated *HK$'000*
Gross proceeds from sale of investments held for trading	–	–	208,660	–	208,660
Segment revenue	60,399	51,360	–	–	111,759
Less: Cost of commodities transactions	–	(50,860)	–	–	(50,860)
Revenue as presented in the consolidated statement of profit or loss and other comprehensive income	60,399	500	–	–	60,899
Segment results from continuing operations	58,408	500	1,910,071	18,057	1,987,036
Other income					9,079
Other gains and losses					(11,896)
Central administration costs					(71,674)
Finance costs					(66,354)
Profit before taxation from continuing operations					1,846,191

For the year ended 31 March 2014

	Money lending *HK$'000*	Trading of commodities *HK$'000*	Consolidated *HK$'000*
Segment revenue	39,144	105,181	144,325
Less: Cost of commodities transactions	–	(104,002)	(104,002)
Revenue as presented in the consolidated statement of profit or loss and other comprehensive income	39,144	1,179	40,323
Segment results from continuing operations	39,144	1,179	40,323
Other income			5,523
Other gains and losses			(59,733)
Central administration costs			(78,486)
Finance costs			(14,236)
Loss before taxation from continuing operations			(106,609)

5. OTHER INCOME

	2015 ***HK$'000***	2014 *HK$'000*
Continuing operations		
Interest earned on bank deposits	**1,239**	1,085
Interest earned on loan receivables (other than money lending business)	**324**	1,113
Sundry income	**7,219**	3,028
Dividend income from available-for-sale investments	**297**	297
	9,079	5,523

6. OTHER GAINS AND LOSSES

	2015	2014
	HK\$'000	*HK\$'000*
Continuing operations		
Fair value gain on investments held for trading *(note)*	**1,929,896**	–
Initial loss arising from derivative financial instruments	**(68,763)**	–
Fair value loss on derivative financial instruments	**(94,087)**	(49,534)
Fair value gain on secured notes	**–**	4,010
Fair value gain on financial assets at FVTPL	**4,756**	10,189
Gain on disposal of loan and interest receivable	**3,689**	–
Loss on disposal of property, plant and equipment	**(5)**	(57)
Gain on disposal of available-for-sale investments	**141,405**	28,563
Net foreign exchange gain	**1,080**	1,709
Impairment loss on available-for-sale investments	**–**	(54,613)
Gain on disposal of subsidiaries	**29**	–
	1,918,000	(59,733)

Note: Net realised gain of approximately HK$15,291,000 on disposal of investments held for trading is included in change in fair value of investments held for trading.

7. FINANCE COSTS

	2015	2014
	HK\$'000	*HK\$'000*
Continuing operations		
Interest expense on borrowings		
– wholly repayable within five years	**33,786**	14,046
– not wholly repayable within five years	**5,798**	190
Issuance cost of corporate bonds and notes	**26,770**	–
	66,354	14,236

Note: During the year ended 31 March 2015, interest expense of HK$33,391,000 (2014: HK$7,947,000) was incurred for borrowings obtained solely for the Group's money lending business, trading of commodities and securities investment (2014: money lending business and trading of commodities), which were wholly repayable within five years.

8. TAXATION

	2015	2014
	HK$'000	*HK$'000*
Continuing operations		
Hong Kong:		
Current tax	**5,600**	–
Underprovision in prior years	**3,058**	256
Deferred tax	**315,155**	–
Income tax expense relating to continuing operations	**323,813**	256

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. During the year ended 31 March 2014, no provision for Hong Kong Profits Tax has been made since there was no assessable profit for the year.

9. PROFIT (LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS

	2015	2014
	HK$'000	*HK$'000*
Continuing operations		
Profit (loss) for the year from continuing operations has been arrived at after charging:		
Auditor's remuneration	**1,200**	1,112
Depreciation of property, plant and equipment	**5,487**	5,526
Operating lease rentals in respect of rented premises	**13,151**	10,199
Staff costs:		
Directors' emoluments	**5,538**	2,885
Chief executive's emoluments	**2,449**	2,818
Other staff costs		
– salaries, bonus and other allowances	**18,899**	21,159
– retirement benefit scheme contributions	**629**	901
– share-based payments	**5**	1,767
	27,520	29,530

10. DIVIDEND

No dividend was paid or proposed by the directors for both years nor has any dividend been proposed since the end of the reporting period.

11. EARNINGS (LOSS) PER SHARE

From continuing and discontinued operations

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

	2015	2014
	HK$'000	*HK$'000*
Profit (loss) attributable to owners of the Company for the purposes of basic and diluted earnings (loss) per share	**1,522,565**	(12,415)

	2015	2014
	'000	*'000*
		(restated)
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings (loss) per share	**2,218,356**	1,615,483

The weighted average number of ordinary shares for the year ended 31 March 2014 has been adjusted to reflect the impact of the Capital Reorganisation, Open Offer and Bonus Issue.

From continuing operations

The calculation of basic and diluted earnings (loss) per share from continuing operations attributable to the owners of the Company is based on the following data:

	2015	2014
	HK$'000	*HK$'000*
Profit (loss) for the year attributable to owners of the Company	**1,522,565**	(12,415)
Less: Profit for the year from discontinued operations	**–**	(94,406)
Profit (loss) for the purposes of calculating basic and diluted earnings (loss) per share from continuing operations	**1,522,565**	(106,821)

The denominators used are the same as those detailed above for basic and diluted earnings (loss) per share from continuing and discontinued operations.

For the year ended 31 March 2015, the computation of diluted earnings per share for continuing operations does not assume the exercise of the Company's outstanding share options because the exercise prices of these share options were higher than the average market price for shares for the year.

For the year ended 31 March 2014, the computation of diluted loss per share for continuing operations does not assume the exercise of the Company's outstanding share options and warrants, since the assumed exercise would reduce loss per share from continuing operations.

From discontinued operations

For the year ended 31 March 2014, basic and diluted earnings per share from discontinued operations was HK5.84 cents (restated), based on the profit for the year from discontinued operations of HK$94,406,000 and the denominators detailed above for both basic and diluted earnings (loss) per share from continuing and discontinued operations.

For the year ended 31 March 2014, the computation of diluted earnings per share for discontinued operations does not assume the exercise of the Company's outstanding share options and warrants, since the assumed exercise would reduce loss per share from continuing operations.

12. AVAILABLE-FOR-SALE INVESTMENTS

	2015	2014
	HK$'000	*HK$'000*
Available-for-sale investments include:		
Equity securities listed in Hong Kong, at fair value	**925,220**	693,084
Unlisted equity securities, at cost	**363,235**	363,235
	1,288,455	1,056,319

Fair values of listed equity securities are based on quoted market bid prices in the active market.

Unlisted equity securities represent investments in unlisted securities issued by two private entities. The business of these companies are investment holding and securities trading. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

As at 31 March 2015, the Group has pledged certain available-for-sale investments of HK$442,785,000 (2014: HK$205,800,000) and HK$326,400,000 (2014: Nil) to secure a bank loan and securities margin loans granted to the Group respectively.

13. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS/ DERIVATIVE FINANCIAL INSTRUMENTS

	2015	2014
	HK$'000	*HK$'000*
Financial assets designated at FVTPL		
Convertible ICube Bond	**–**	4,745
Derivative financial instruments		
Financial assets:		
Options consideration received	**585,324**	550,573
Financial liabilities:		
Option granted	**202,601**	–

14. OTHER CURRENT FINANCIAL ASSETS

Trade and bills receivables

	2015	2014
	HK$'000	*HK$'000*
Trade receivables	**7,615**	9,774
Bills receivables arising from trading of commodities	**5,783**	57,627
	13,398	67,401
Interest receivables in relation to money lending business	**17,569**	13,072
	30,967	80,473

Included in the Group's trade and bills receivables are receivables of HK$5,783,000 (2014: HK$56,748,000) denominated in the currency other than the functional currency of the respective group entities.

15. LOAN RECEIVABLES

	2015	2014
	HK$'000	*HK$'000*
Non-current:		
Interest Bearing ICube Bond	**–**	5,572
Secured, fixed-rate mortgage loan receivables	**56,365**	1,000
	56,365	6,572
Current:		
Promissory note	**–**	25,000
Unsecured, bears 13% interest per annum and repayable in Year 2015	**90,000**	–
Unsecured, bears 7.2% interest per annum and repayable in Year 2015	**25,340**	–
Secured, bears 20% (2014: 22%) interest per annum and repayable in Year 2015	**100,000**	100,000
Secured, borne 36% interest per annum and repayable in Year 2014	**–**	57,000
Secured, borne 15% interest per annum and repayable in Year 2014	**–**	6,000
Secured, borne 25% interest per annum and repayable in Year 2014	**–**	20,000
Secured, borne 30% interest per annum and repayable in Year 2014	**–**	10,535
Secured, bears 16% interest per annum and repayable in Year 2015	**50,000**	–
Secured, bears 16% interest per annum and repayable in Year 2015	**50,000**	–
Secured, bears 10.5% interest per annum and repayable in Year 2016	**7,000**	–
Secured, bears 10% interest per annum and repayable in Year 2016	**5,000**	–
Secured, fixed-rate mortgage loan receivables	**60,310**	–
Unsecured, borne fixed-interest ranged from 20% to 30% per annum loan receivables	**–**	48,500
	387,650	267,035
	444,015	273,607

16. INVESTMENTS HELD FOR TRADING

	2015	2014
	HK$'000	*HK$'000*
Investments held for trading include:		
Equity securities listed in Hong Kong, at fair value	**2,952,114**	–
Derivatives listed outside Hong Kong, at fair value *(Note)*	**4,573**	–
	2,956,687	–

Note: Amount represents the fair value of the Group's outstanding position of trading of futures related to commodities and currencies as at 31 March 2015.

Fair values of listed investments held for trading were based on quoted market bid price in the active market.

As at 31 March 2015, included in investments held for trading, HK$2,619,600,000 represents the Group's investment in 26.20% of the equity interests of Heritage International Holding Limited ("Heritage"). The investment in Heritage is classified as investments held for trading, as in the opinion of the directors, the investment is owned for short-term trading purpose and the Group irrevocably undertake to Heritage that the Group shall not to participate or otherwise exercise any influence over the management or the operating and financial policy decisions of the Heritage and shall not nominate any directors to or remove any directors from the board of directors of Heritage.

As at 31 March 2015, included in the Group's investments held for trading, carrying amount of HK$849,600,000 (2014: Nil) (the "Pledged Shares") are pledged to a bank to secure a banking facility of HK$450,000,000 with a term of twelve months. The Group is able to dispose the Pledged Shares upon written consent has been received from the bank.

In addition, as at 31 March 2015, included in the Group's investments held for trading, carrying amount of HK$2,061,041,000 (2014: Nil) are pledged to a security house to secure securities margin loans.

Details of the Group's material listed equity security as at 31 March 2015 is as follow:

Name of investment	Country of establishment	Paid up registered capital	Proportion of nominal value of registered capital held by the Company
Heritage	Bermuda	HK$4,235,930	28.87% *(note)*

Note: Of the Group's total investment in Heritage, 2.67% (2014: 2.67%) equity interest of the Heritage was acquired during the year ended 31 March 2014 and classified as available-for-sale investment and 26.20% (2014: Nil) equity interest was acquired during the year ended 31 March 2015 and classified as investments held for trading.

17. CONSIDERATION RECEIVABLES

	2015	2014
	HK$'000	*HK$'000*
Consideration receivables from		
Menggang Group disposal *(Note)*	**152,230**	151,244
Winbox Group disposal	**–**	5,702
Disposal of an available-for-sale investment	**–**	10,000
	152,230	166,946

Note:

Consideration receivable from disposal of the Menggang Group

On 7 September 2011, the Group entered into a sale and purchase agreement with an independent third party not connected with the Group, Inner-Mongolia Shuangxin Resources Group Co., Ltd. (the "Purchaser"). Pursuant to this sale and purchase agreement, the Group agreed to dispose of Wuhai City Menggang Industrial Development Co., Ltd. and its subsidiaries (collectively referred to as the "Menggang Group") (the "Menggang Group Disposal"), which operated the Group's coal mines in the Inner-Mongolia Autonomous Region in the PRC, for a cash consideration of RMB1,503,000,000 ("Total Consideration"). The Menggang Group Disposal was completed on 30 May 2012. The Total Consideration shall be satisfied by four instalments: RMB781,560,000 by completion; RMB420,840,000 by 90 days subsequent to the completion; RMB225,450,000 by 180 days subsequent to the completion and the remaining RMB75,150,000 by fifteen months subsequent to the completion. On 19 November 2012, the Group and the Purchaser entered into a supplemental agreement in relation to the Menggang Group Disposal ("Supplemental Agreement"), pursuant to which the Group and the Purchaser agreed to reduce the Total Consideration by RMB75,000,000. Such reduction shall be settled by deducting the third installment by RMB40,000,000 and deducting the final installment by RMB35,000,000.

On 6 December 2012, the Purchaser received a notice (the "Notice") from the tax bureau of Wuhai City Hainan District in the Inner-Mongolia Autonomous Region (the "Tax Bureau"), pursuant to which, the Tax Bureau requested the Purchaser to withhold additional business tax of RMB80 million. The directors of the Company are of the view that such additional business tax is not applicable to this transaction. Hence the Group negotiated with the Tax Bureau and finally the Tax Bureau revoked the Notice on 3 April 2013. However, the Purchaser continues to withhold this RMB80 million.

On 16 May 2013, an arbitration (the "First Arbitration") was filed by the Group to China International Economic and Trade Arbitration Commission (the "Commission") to claim this unsettled amount. On 8 August 2013, the Purchaser has provided its written defence to the arbitration court and argued that the Notice issued by the Tax Bureau did not clearly state that additional business tax is not applicable to this transaction and the Tax Bureau's revocation of the Notice could not remove the obligation for the Purchaser to withhold and pay the additional business tax.

On 30 August 2013, the final installment of the Total Consideration, RMB40,150,000 has been due. On 8 October 2013, the Purchaser filed a counter arbitration request ("Counter-claim") to the Commission and claimed that the Group had failed to fulfil certain terms and obligations in accordance with the sale and purchase agreement. Due to this non-compliance, the Purchaser has to incur additional costs before the Menggang Group's coal mines could be put into operations. Therefore, the Purchaser withheld the final installment of the Total Consideration and claimed an aggregate compensation amount of approximately RMB65 million (approximately HK$82 million).

On 13 January 2014, the Group filed another arbitration to the Commission to claim the unsettled final installment (the "Second Arbitration").

On 27 June 2014, the decision of the First Arbitration was concluded by the Commission. The decision is in favour of the Group and the Commission ordered the Purchaser to settle the unsettled portion of the third instalment of RMB80 million and dismissed the Counter-claim. The Purchaser, however, filed a litigation to the Beijing Second Intermediate People's Court (the "Beijing Court") to request the Beijing Court to void the decision made in the First Arbitration and applied to temporarily suspend the Second Arbitration.

On 22 September 2014, the Purchaser revoked its request about the temporarily suspension of the Second Arbitration. On 23 October 2014, the Group requested the Commission to re-open the Second Arbitration. On 18 December 2014, the Beijing Court rejected the request from the Purchaser to void the decision made in the First Arbitration.

On 21 August 2014, the Purchaser, however, filed a litigation to the Inner-Mongolia Autonomous Regional High People's Court ("the Inner-Mongolia Court") and claimed for an aggregate amount of approximately RMB103 million (approximately HK$131 million), based on similar facts under the Counter-claim. On 6 February 2015, the Group received a writ of summons from the Inner-Mongolia Court regarding this litigation which was dated 29 December 2014. On 8 May 2015, the Group submitted an application of objection to the jurisdiction at the Inner-Mongolia Court. The hearing is pending for scheduling.

On 6 February 2015, the Group has submitted an execution to Ordos Intermediate People's Court to execute the decision of the First Arbitration (the "Execution"). The Execution is under process.

Up to the date of the report, the result of Second Arbitration and the decision from the Inner-Mongolia Court have not been announced. In view of the Notice was revoked by the Tax Bureau, the decision of the First Arbitration and the Beijing Court, the directors considered that the Group had fully complied with the terms of the sale and purchase agreement after taking legal advice, in the opinion of the directors, the Group has a meritorious ground on the arbitration and litigation, so the risk of not recovering the amount is minimal, and no impairment loss is required as at 31 March 2015.

As at 31 March 2015 and 2014, the remaining unsettled consideration of RMB120,150,000 (or equivalent to HK$152,230,000; 31 March 2014: HK$151,244,000) was included in the consolidated statement of financial position as consideration receivable.

18. OTHER CURRENT FINANCIAL LIABILITIES

Bills payables

	2015	2014
	HK$'000	*HK$'000*
Bills payables arising from trading of commodities	–	24,748

Bills payables principally comprise amounts outstanding for trade purchases. The average credit period taken for trading of commodities is 0 to 90 days. The aged analysis of bills payables based on the invoice date at the end of the reporting period is stated as follows:

	2014
	HK$'000
0 to 30 days	23,264
31 to 60 days	1,484
	24,748

19. DEFERRED TAXATION LIABILITY

The following is the major deferred tax liability recognised and movement thereon during the current period:

	Fair value change of investments held for trading
	HK$'000
At 1 April 2013 and 31 March 2014	–
Charge to profit or loss	(315,155)
At 31 March 2015	(315,155)

20. BORROWINGS

	2015	2014
	HK$'000	*HK$'000*
Bank overdrafts – secured	**26,000**	17,000
Bank loans – secured	**345,283**	193,000
Corporate bonds and notes – unsecured	**144,550**	14,000
Securities margin loans – secured	**201,518**	–
	717,351	224,000
Carrying amount:		
Carrying amount repayable (based on the scheduled repayment dates set out in loan agreements):		
Within one year	**572,801**	210,000
More than two years but not more than five years	**9,550**	–
More than five years	**135,000**	14,000
	717,351	224,000
Comprising:		
Amounts due within one year shown under current liabilities	**572,801**	210,000
Amounts shown under non-current liabilities	**144,550**	14,000
	717,351	224,000

21. SHARE CAPITAL

	Nominal value per share *HK$*	Number of shares	Share capital *HK$'000*
Ordinary shares			
Authorised:			
At 1 April 2013 and 31 March 2014	0.05	10,000,000,000	500,000
Decrease in authorised share capital		(9,000,000,000)	–
Increase in authorised share capital		49,000,000,000	–
At 31 March 2015	0.01	50,000,000,000	500,000
Issued and fully paid:			
At 1 April 2013	0.05	3,930,535,804	196,527
Share issued upon exercise of warrants		41,500,000	2,075
At 31 March 2014	0.05	3,972,035,804	198,602
Capital Reorganisation		(3,574,832,224)	(194,630)
Shares issued upon exercise of warrants		561,085,200	5,611
Open offer with bonus issue		1,588,814,320	15,888
Placing of shares		397,200,000	3,972
At 31 March 2015	0.01	2,944,303,100	29,443

22. PURCHASE OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES

On 21 December 2012, the Group entered into a memorandum of understanding with Sunshine Zhong Xing Capital Holdings Limited (formerly known as Wealth Express Global Holdings Limited) ("Sunshine Zhong Xing"), pursuant to which, the Group intends to acquire a land use right situated in the PRC through acquisition of a company owned by Sunshine Zhong Xing . A refundable deposit of HK$150,000,000 has been paid. On 27 June 2013, the Group entered into a sale and purchase agreement with Sunshine Zhong Xing, a company wholly owned by two individuals who are directors and key management personnel of certain subsidiaries of the Group to acquire the Access Profit Global Enterprises Group Limited and its subsidiaries (collectively referred as the "Access Profit Group") at a consideration of HK$300,000,000 in cash. On 20 June 2014, the Group entered into a supplemental sale and purchase agreement with Sunshine Zhong Xing to finalise the total consideration to be HK$150,000,000. The acquisition was completed during the year ended 31 March 2015 and was accounted for as acquisition of a group of assets that does not constitute a business under HKFRS 3 "Business Combinations" as Access Profit Group does not have operations since its incorporation.

Assets acquired and liabilities recognised at the date of acquisition:

	HK$'000
Property, plant and equipment	1,166
Prepaid lease payment	18,131
Premium over prepaid lease payment	133,261
Deposits, prepayments and other receivables	1
Bank balances and cash	43
Accruals and other payables	(2,602)
Net assets acquired	150,000

Consideration satisfied by:

Cash deposit paid and included in deposits as at 31 March 2014	150,000

Cash inflow arising on acquisition:

	HK$'000
Cash consideration paid during the year ended 31 March 2015	–
Bank balances and cash acquired	43
	43

MANAGEMENT DISCUSSIONS AND ANALYSIS

BUSINESS REVIEW

Money Lending Business

During the year ended 31 March 2015 (the "Year Under Review"), the money lending business of the Group generated interest income of approximately HK$60.4 million (2014: HK$39.1 million). Revenue from the money lending business increased by approximately 54.5% year-on-year, accounting for approximately 99.2% of the Group's total revenue during the Year Under Review and has became one of the major revenue streams of the Group. The main services of the money lending business of the Group include personal loans to high net worth clients, alongside with provision of mortgage loans. As at 31 March 2015, the outstanding loan of the money lending business of the Group amounted to approximately HK$444.0 million.

Securities Investment Business

During the Year Under Review, the Company has previously adopted a longer term perspective in terms of its investment strategy. In view of the current economic and capital markets environment, it is now a good time to broaden its investment strategy and the Company has commenced to engage in and focus on the short term trading of listed securities business. The broadening of its investment strategy will allow greater flexibility in terms of reaping gains and avoiding losses, as well as enable the Company to capture a greater number of investment opportunities. The realised gains from disposal of available-for-sale investments of the Group were approximately HK$141.4 million (2014: HK$28.6 million) and the unrealised fair value gains from investments were approximately HK$1,914.6 million (2014: HK$Nil). In addition, the Group recorded gross proceeds from sales of investments held for trading of approximately HK$208.7 million for the Year Under Review (2014:HK$Nil).

Trading of Futures

Given the investment opportunities in the futures in the global market, the Group has begun to engage in the trading of futures, another new business segment of the Group. During the Year Under Review, the Group recorded gross profit of approximately HK$18.1 million from the trading of futures (2014: HK$Nil)

Trading of Commodities Business

During the Year Under Review, the trading of commodities business of the Group recorded gross revenue of approximately HK$51.4 million (2014: HK$105.2 million) and net profit of approximately HK$0.5 million (2014: HK$1.2 million). Due to the increasing credit risk and low profit of commodities trading, the Company will consider to deploy resources from the commodities trading business to other businesses, in order to obtain higher returns.

Warehousing and Logistics Business

During the Year Under Review, the Group acquired the entire equity interest in Xinjiang Xinpin Logistics Co., Ltd.（新疆新品物流有限公司）("Xinpin Logistics") at a consideration of HK$150,000,000. Such acquisition had been completed on 31 March 2015. Xinpin Logistics owns a piece of land located at Ganquanbao Industrial Park, Urumqi, Xinjiang（新疆烏魯木齊市甘泉堡工業園區）with site area of approximately 151,100 sq.m., which is designated for logistics and warehousing purposes.

Ganquanbao Industrial Park is located in the northern part of Urumqi, about 55 km from the city centre and in proximity to Wujiaqu City（五家渠市）and Fukang City（阜康市）in Xinjiang. Gangquanpu Industrial Park is less than 30 km away from the international airport and is easily accessible with established railway and highway networks nearby.

The Group will develop its warehousing and logistics business in Xinjiang through such acquisition. The Group plans to invest and construct a logistics base with a total area of approximately 82,600 sq.m., comprising composite warehouses, composite service buildings and open storage and yard.

No revenue was recorded from the warehousing and logistics business of the Group as such acquisition was recently completed on 31 March 2015.

Natural Gas Business

During the Year Under Review, having considered the uncertain natural gas policy and fluctuating resource markets of Xinjiang Uygur Autonomous Region, as well as the corresponding increase in investment risk, the Company adopted a very cautious approach in planning the investment and construction of a LNG production and processing factory with an annual production capacity of 400,000 tons and the investment and development in constructing 8 gas stations in Xinjiang Uygur Autonomous Region. Therefore, the Company decided to temporarily suspend the construction of the aforementioned projects. No revenue was recorded as the Company had not started to invest in capital construction and had ceased operation in the natural gas business.

FINANCIAL REVIEW

Other Gains and Losses

For the Year Under Review, the Group recorded a total net profit from continuing operations of approximately HK$1,918.0 million (2014: a loss of HK$59.7 million). The profit was mainly attributable to (i) fair value gain on investment held for trading; (ii) gain on disposal of available-for-sale investments; and (iii) partial offset by initial loss arising from derivative financial instruments and fair value loss on derivative financial instruments.

Administrative Expenses

For the Year Under Review, administrative expenses from continuing operations were approximately HK$75.4 million (2014: HK$78.5 million), representing a decrease of approximately HK$3.1 million or 3.9% as compared with last year. Such decrease was mainly due to better control on overhead expenditure.

Finance Costs

For the Year Under Review, finance costs from continuing operations were approximately HK$66.4 million (2014: HK$14.2 million), representing a substantial increase of approximately HK$52.2 million or 367.6 % as compared with last year. The increase was mainly due to (i) the increase in interest expenses incurred on borrowings for the Group's money lending business; and (ii) the increase in issuance cost of corporate bonds and notes.

Taxation

For the Year Under Review, the Group's income tax expense from continuing operations was approximately HK$323.8 million (2014: HK$0.3 million) representing a substantial increase of approximately HK$323.5 million as compared with last year. The increase was mainly due to (i) deferred tax liability recognised on fair value change of investments held for trading; (ii) current year tax provision; and (iii) underprovision of Hong Kong tax in previous years.

Profit Attributable to Shareholders

For the Year Under Review, the Group recorded a profit from continuing operations of approximately HK$1,522.6 million (2014: a loss of HK$106.8 million). In addition, there was no profit from discontinued operations for the Year Under Review (2014: a profit from discontinued operations of approximately HK$94.4 million.)

The total profit from continuing operations and discontinued operations attributable to the shareholders for the Year Under Review was approximately HK$1,522.5 million (2014: a loss of HK$12.4 million), which represents a substantial improvement arising from (i) contribution from the money lending business of the Group; (ii) gross profit from trading of futures; (iii) fair value gain on investments held for trading; and (iv) gain on disposal of available-for-sale investments.

The basic and diluted earnings per share from continuing and discontinued operations was approximately HK68.63 cents (2014: a loss of HK0.77 cents).

LIQUIDITY, CAPITAL STRUCTURE AND FINANCIAL RESOURCES

The Group funds its operations from a combination of internal resources, equity fund raising and financial instruments. As at 31 March 2015, the Group had cash and cash equivalents of approximately HK$203.6 million (2014: HK$416.3 million) and pledged bank deposits of approximately of HK$45.3 million (2014: HK$44.6 million) respectively. As at 31 March 2015, the Group's working capital increased to approximately HK$2,904.7 million (2014: HK$725.2 million). Such increase was mainly resulted from the increase in fair value gain on investments held for trading.

As at 31 March 2015, the Group had outstanding borrowings of approximately HK$717.4 million (31 March 2014: HK$224.0 million). On 26 September 2014, the Group reviewed a facility agreement with a bank, pursuant to which the bank made available to the Group a revolving loan facility of up to an aggregate of HK$450 million for a further term of 12 months, subject to the next annual review by the bank. This facility was used solely to finance our money lending business and was secured by debenture or charges created over assets and shares of Hao Tian Finance and its immediate holding company as well as certain of securities held by the Group with fair market value of approximately HK$1,292.4 million as at 31 March 2015 and a yacht held by other members of the Group. In addition, the Group has obtained a margin loan facility secured by the listed securities held by the Group with fair market value of approximately of HK$2,387.4 million from a security company to finance the trading of investment of securities during the Year Under Review (31 March 2014: Nil).

Save as disclosed above, there were no other assets pledged as at 31 March 2015.

Gearing ratio (a ratio of total borrowings to total assets) as at 31 March 2015 was approximately 11.6% (2014: 7.9%), such increase was mainly due to the increase in borrowings.

CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

As at 31 March 2015, there was no capital commitment (2014: HK$150.0 million) in respect of addition of property, plant and equipment contracted for but not provided in the consolidated financial statements. In addition, there was approximately HK$237.1 million capital commitments (2014: HK$ Nil) in respect of addition of property, plant and equipment authorized but not contracted for.

The Group had no material contingent liabilities as at 31 March 2015.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group's sales are denominated mainly in Hong Kong dollars ("HKD"), United States dollars ("USD"), and Renminbi ("RMB"). The Group's purchases and expenses are mostly denominated in HKD and RMB, and some in USD. The Group has certain foreign currency bank balances, investments held for trading, available-for-sale investments and investment in foreign operations, which are exposed to foreign currency exchange risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure of the Group and will consider hedging significant foreign currency exposure should the need arises.

EMPLOYEE INFORMATION

As at 31 March 2015, the Group had a total of approximately 64 employees (2014: 70 employees) in the PRC and Hong Kong. The Group provides a mandatory provident fund scheme for its employees in Hong Kong and the state-managed retirement benefit schemes for its employees in the PRC. The Group's remuneration policies are formulated according to market practices, experiences, skills and performance of individual employee and will be reviewed every year.

The Group has also adopted a share option scheme and a share award scheme. A summary of share option scheme of the Group will be set out in the notes to the consolidated financial statements.

SIGNIFICANT LITIGATIONS

In connection with the sale and purchase agreement (the "Menggang Agreement") entered into between the Group and Inner-Mongolia Shuangxin Resources Group Co., Ltd, ("Shuangxin") for the sale and purchase of Wuhai City Menggang Industrial Development Co., Ltd. and its subsidiaries, which operated the Group's coal mines in the Inner-Mongolia Autonomous Region in the PRC, on 16 May 2013, the Group filed an arbitration claim to the China International Economic and Trade Arbitration Commission (the "CIETAC") for the outstanding amount of RMB80,000,000 payable by Shuangxin under the Menggang Agreement. Shuangxin withheld the payment of RMB80,000,000 initially on the ground of a tax demand note issued from the local tax bureau, after revocation of the tax demand note, on the ground of non-fulfillment by the Group of certain terms and obligations under the Menggang Agreement. Shuangxin filed a counter claim for RMB65,000,000 on 8 October 2013. An arbitration award was delivered in favour of the Group on 27 June 2014 and Shuangxin filed an application to the Beijing Second Intermediate People's Court to set aside the arbitration award. Beijing Second Intermediate People's Court issued a civil ruling on 18 December 2014 dismissing Shuangxin's application for the revocation of the arbitration ruling. On 6 February 2015, the Group applied for the mandatory enforcement at the Ordos City Intermediate People's Court, and the Ordos City Intermediate People's Court has formally accepted the application on 14 May 2015. At present, the case is under execution procedures. As for the final instalment in the amount of RMB40,500,000 payable by Shuangxin, which is in addition to the aforementioned RMB80,000,000, under the Menggang Agreement (as supplemented by a supplemental agreement dated 19 November 2012), the Group filed an arbitration claim to the CIETAC in January 2014 and the hearing will commence on 3 August 2015. The Board will provide updates on the position of the Group as and when appropriate.

On 21 August 2014, Shuangxin filed a legal action at the Inner-Mongolia Autonomous Regional High People's Court seeking damages against the Group for an aggregate amount of RMB102,978,100. On 8 May 2015, the Group submitted an application of objection to the jurisdiction at the Inner-Mongolia Autonomous Regional High People's Court. At present, Inner-Mongolia Autonomous Regional High People's Court is in the process of documentary trial in respect of whether this application of objection to the jurisdiction should be approved and the Group is now waiting for the Court's ruling.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year Under Review.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the "Model Code") set out in Appendix 10 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") as its own code of conduct for Directors' securities transactions. The Company has made specific enquiry to all directors and all directors confirmed that they have fully complied with the Model Code for the Year Under Review.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

On 27 June 2013, a wholly-owned subsidiary of the Company entered into a conditional sale and purchase agreement with Sunshine Zhong Xing Capital Holdings Limited (formerly known as Wealth Express Global Holdings Limited), a connected person within the meaning of the Listing Rules, to acquire a piece of land of approximately 151,100 sq.m situated in the Urumqi, the Xinjiang Uygur Autonomous Region, which is proposed to be used for logistics and warehousing development purpose. On 20 June 2014, the total consideration was adjusted from HK$300 million to HK$150 million, to be satisfied in full by transfer of a refundable deposit of HK$150 million paid to the seller. The acquisition was completed on 31 March 2015.

On 4 July 2014, Hao Tian Management (Hong Kong) Limited ("HTM"), a wholly-owned subsidiary of the Company, and the optionholder (the "Optionholder") entered into a call option deed, pursuant to which HTM has granted a call option (the "Call Option") to the Optionholder at a premium of HK$5 million. The Call Option is exercisable at any time during the period from 4 July 2014 to 3 July 2016 at the discretion of the Optionholder, who may purchase up to 240,000,000 option shares in the share capital of Imperial Pacific International Holdings Limited, which is a listed company on the Stock Exchange, at the exercise price of HK$0.55 per option share.

SUBSEQUENT IMPORTANT EVENTS AFTER THE REVIEW PERIOD

Hao Tian Finance Company Limited, a subsidiary of the Company has entered into a subscription agreement with each of Rui Sheng Global Holdings Limited and Century Golden Resources Investment Co., Ltd, on 9 April 2015 and 28 April 2015 respectively, each of both is an independent third party, to allot 100,000,000 new shares and 200,000,000 new shares of Hao Tian Finance Company Limited (the "Allotments") for a cash consideration of HK$100 million and HK$200 million, respectively. The Allotments has been completed on 13 May 2015 and 15 May 2015, respectively. Upon the completion of the Allotments, the Group's equity interest in Hao Tian Finance Company reduced from 100% to approximately 75.21%.

For details, please refer to the announcements of the Company dated 9 April 2015, 28 April 2015, 13 May 2015 and 15 May 2015.

On 10 April 2015, the Company has entered into a subscription agreement with Asia Link Capital Investment Holdings Limited, the Company's immediate and ultimate holding company. Pursuant to this agreement, the Company will issue 588,858,000 warrants of the Company at issue price of HK$0.001 per warrant at subscription price of HK$0.50 per share. The subscription was duly passed by the independent shareholders at the extraordinary general meeting by way of poll on 26 June 2015.

For details, please refer to the announcements of the Company dated 10 April 2015, 13 April 2015, 19 June 2015 and 26 June 2015 and the circular of the Company dated 31 May 2015.

On 19 May 2015, the Company and CCBI Investments Limited ("CCBI") entered into a non legally-binding preliminary term sheet in respect of certain proposed investments in the Company and Hao Tian Finance Company Limited (the "Preliminary Term Sheet"). The arrangement contemplated under the Preliminary Term Sheet involves, inter alia, (i) loan notes in the aggregate principal amount of US$30,000,000 proposed to be issued by the Company; (ii) unlisted warrants proposed to be issued by Hao Tian Finance Company Limited to subscribe for shares in Hao Tian Finance Company Limited up to the value of US$15,000,000; and (iii) call option to acquire the shares in Heritage International Holdings Limited, which is a listed company on the Stock Exchange, currently held by the Group, up to the value of US$15,000,000. Further announcement will be made by the Company in the event where negotiation on the detailed terms of the proposed investment is completed.

For details, please refer to the announcement of the Company dated 19 May 2015.

Save as disclosed above, the Group has no other significant investments, material acquisitions and/or disposals after the review period.

BUSINESS PROSPECT

As an international financial centre located in Asia, Hong Kong has advantages in terms of financial markets and systems, and following gradual implementation of the favorable financial policies in Hong Kong, such as the Shanghai-Hong Kong Stock Connect, mutual recognition of funds and the Shenzhen-Hong Kong Stock Connect, which will create opportunities for the financial sector in Hong Kong, and thereby bring a positive effect to the economic development of Hong Kong. Therefore, the Group is optimistic about the Hong Kong securities market, and will also continue to develop its securities investment business in a more aggressive manner and will seize the rising growth opportunities by acquisition of securities company should such opportunities arise, and to identify suitable Hong Kong securities companies to develop securities trading and securities financing businesses. In light of the stable money lending market and property mortgage market in Hong Kong, the Group plans to gradually expand the customer base of its existing money lending business in order to enlarge the operating scale of the business.

Meanwhile, the Group also plans to develop non-bank financial service business in the financial markets of Mainland China, and will actively search for opportunities to develop P2P, financial credit guarantee and financial advisory businesses, and to establish financial internet platform to complement relevant financial service businesses.

Furthermore, “One Belt and One Road” is an abbreviation of “Silk Road Economic Belt” and “21st-Century Maritime Silk Road”. The development strategy of “One Belt and One Road” is to facilitate policy coordination, facilities connectivity, unimpeded trade, financial integration and people-to-people bond within countries along the Belt and Road, in which Xinjiang is the core area under the strategic development of “One Belt and One Road”. The unimpeded trade mentioned in the development strategy will create development opportunities for trading in Xinjiang and also provide confidence for the Group in engaging logistics and warehousing business in Xinjiang.

CORPORATE GOVERNANCE

The Company is committed to the establishment of good corporate governance practices and procedures that are consistent with the "Corporate Governance Code" (the "CG Code") set out in Appendix 14 to the Listing Rules. The corporate governance principles of the Company emphasize on a quality board of directors, sound internal control, transparency and accountability to all shareholders of the Company.

The Board is of the opinion that the Company has complied with the code provisions as set out in the CG Code, which were in force at the material time for the financial year ended 31 March 2015, except that the nomination committee is chaired by an executive Director instead of an independent non-executive Director because the Board believe that an executive Director involved in the operations of the Company may be in a better position to review the composition of the Board so as to complement the Group's corporate strategy.

DIVIDEND

The Board does not recommend the payment of a dividend for the year ended 31 March 2015 (2014: Nil).

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2015 as set out in preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the Year Under Review. The work performed by Messrs. Deloitte Touche Tohmatsu 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 Messrs. Deloitte Touche Tohmatsu in this announcement.

AUDIT COMMITTEE

The Company established an audit committee on 16 May 2006 with reference to "A Guide for the Formation of an audit committee" published by the Hong Kong Institute of Certified Public Accountants. The terms of reference of the audit committee are consistent with the code provisions as set out in the CG Code and are available on the Company's website. The audit committee has reviewed the audited financial statements and annual results announcement of the Company for the year ended 31 March 2015 and is of the opinion that the preparation of such results is completed with the applicable accounting standards and requirements as well as Listing Rules and that adequate disclosures have been made.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the websites of the Company (www.haotianhk.com) and that of the Stock Exchange (www.hkex.com.hk). The 2014/15 annual report of the Company containing all information required by the Listing Rules will be despatched to shareholders of the Company and available on the same websites in due course.

By order of the Board of
Hao Tian Development Group Limited
Fok Chi Tak
Executive Director

Hong Kong, 26 June 2015

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Xu Hai Ying, Dr. Zhiliang Ou, JP (Australia) and Mr. Fok Chi Tak and three independent non-executive Directors, namely Mr. Chan Ming Sun Jonathan, Mr. Lam Kwan Sing, and Mr. Lee Chi Hua, Joshua.