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WONDERFUL SKY FINANCIAL GROUP HOLDINGS LIMITED

皓天財經集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1260)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2016

RESULTS

The directors (the “**Directors**”) of Wonderful Sky Financial Group Holdings Limited (the “**Company**”) are pleased to present the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2016 together with the comparative figures for the previous year as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 31 MARCH 2016

	<i>NOTES</i>	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Revenue	3	619,122	523,580
Direct costs		(292,762)	(239,983)
Gross profit		326,360	283,597
Other income		37,957	21,886
Selling expenses		(13,562)	(11,632)
Administrative expenses		(75,803)	(50,821)
Other gain and loss	4	18,704	(2,876)
Finance costs	5	(1,999)	(196)
Profit before taxation	6	291,657	239,958
Taxation	7	(51,765)	(41,001)
Profit for the year		239,892	198,957
Other comprehensive (expense) income			
Item that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translating foreign operation		(11,580)	–
Fair value gain on available-for-sale investments		14,591	–
Reclassification adjustment relating to available-for-sale investments disposed of during the year		(19,509)	–
Fair value changes of available-for-sale investments upon reclassification from held-to-maturity investments		–	7,891
Other comprehensive (expense) income for the year		(16,498)	7,891
Total comprehensive income for the year		223,394	206,848
Profit for the year attributable to owners of the Company		239,892	198,957
Total comprehensive income attributable to owners of the Company		223,394	206,848
Earnings per share			
– Basic	9	HK20.4 cents	HK19.9 cents
– Diluted		HK20.3 cents	HK19.8 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2016

	<i>NOTES</i>	2016 HK\$'000	2015 HK\$'000
Non-current assets			
Property, plant and equipment		33,613	6,927
Club debenture	11	12,200	12,200
Rental deposits		5,126	5,144
Deposits for acquisition of property, plant and equipment		2,894	–
		53,833	24,271
Current assets			
Work in progress		17,613	22,883
Accrued revenue	12	–	2,814
Trade and other receivables	12	187,222	214,943
Amounts due from related parties		2,797	4,370
Available-for-sale investments	10	864,479	451,369
Other financial assets	13	394,410	38,100
Bank balances and cash		151,496	285,833
		1,618,017	1,020,312
Current liabilities			
Trade and other payables	14	117,899	150,178
Taxation payable		20,146	10,902
Bank borrowings – due within one year	15	314,310	159,331
		452,355	320,411
Net current assets		1,165,662	699,901
Total assets less current liabilities		1,219,495	724,172
Non-current liability			
Deferred tax liability		441	262
Net assets		1,219,054	723,910
Capital and reserves			
Share capital		11,915	10,000
Reserves		1,207,139	713,910
Total equity		1,219,054	723,910

NOTES

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 12 January 2011 under the Companies Law of the Cayman Islands Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its ultimate holding company is Sapphire Star Investments Limited, a company with limited liability incorporated in the British Virgin Islands (“**BVI**”) and the ultimate controlling party is Mr. Liu Tianni.

The principal activities of the Company are investment holding and securities investment. The principal activities of its subsidiaries are engaged in the provision of financial public relations services and organisation and coordination of international roadshow services.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

The Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) for the first time in the current year.

Amendments to HKAS 19	Defined benefit plans: Employee contributions
Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and position for the current and prior years and/or the disclosures set out in these consolidated financial statements.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

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 ²
HKFRS 15	Revenue from contracts with customers ²
HKFRS 16	Leases ¹
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle ³
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception ³
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 11	Accounting for acquisitions of interests in joint operations ³
Amendments to HKFRS 15	Clarifications to HKFRS 15 “Revenue from contracts with customers” ²
Amendments to HKAS 1	Disclosure initiative ³
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation ³
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants ³
Amendments to HKAS 27	Equity method in separate financial statements ³

¹ Effective for annual periods beginning on or after 1 January 2019.

² Effective for annual periods beginning on or after 1 January 2018.

³ Effective for annual periods beginning on or after 1 January 2016.

⁴ Effective for annual periods beginning on or after a date to be determined.

HKFRS 9 “Financial instruments”

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets and (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.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 9 “Financial instruments” (Continued)

Key requirements of HKFRS 9 that are relevant to the Group are described below:

- 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. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting 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.
- In relation to the impairment of financial assets, HKFRS 9 adopts an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The directors of the Company anticipate that the application of HKFRS 9 in the future will affect the classification and measurement of the Group’s financial assets but unlikely affect the Group’s financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 15 “Revenue from contracts with customers”

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, the Standard 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 a 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.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 16 “Leases”

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases”, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

The directors of the Company do not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in significant impact on the Group’s results but it is expected that certain portion of these lease commitments will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

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

3. REVENUE AND SEGMENT INFORMATION

The Group's operating activities are attributable to two operating segments focusing on provision of different types of services, namely the provision of financial public relations services and organisation and coordination of international roadshow services. These operating segments have been identified on the basis of internal management reports that are regularly reviewed by the directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance.

Segment revenue and results

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

For the year ended 31 March 2016

	Provision of financial public relations services HK\$'000	Organisation and coordination of international roadshow services HK\$'000	Consolidated HK\$'000
Revenue	455,169	163,953	619,122
Segment profit	260,304	48,241	308,545
Unallocated corporate income			57,466
Staff costs (including retirement benefit scheme contributions and share-based payments)			(34,037)
Operating lease rentals			(15,726)
Other unallocated corporate expenses			(22,592)
Finance costs			(1,999)
Profit before taxation			291,657

3. REVENUE AND SEGMENT INFORMATION (*CONTINUED*)

Segment revenue and results (*Continued*)

For the year ended 31 March 2015

	Provision of financial public relations services <i>HK\$'000</i>	Organisation and coordination of international roadshow services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue	<u>405,944</u>	<u>117,636</u>	<u>523,580</u>
Segment profit	<u>236,112</u>	<u>31,795</u>	267,907
Unallocated corporate income			21,886
Staff costs (including retirement benefit scheme contributions and share-based payments)			(28,363)
Operating lease rentals			(9,368)
Other unallocated corporate expenses			(11,908)
Finance costs			<u>(196)</u>
Profit before taxation			<u>239,958</u>

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of other income, central administration costs, directors' salaries, operating lease rentals, exchange loss and finance costs.

3. REVENUE AND SEGMENT INFORMATION (*CONTINUED*)

Segment assets and liabilities

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

At 31 March 2016

	Provision of financial public relations services <i>HK\$'000</i>	Organisation and coordination of international roadshow services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Assets			
Segment assets	<u>185,894</u>	<u>36,138</u>	222,032
Available-for-sale investments			864,479
Other financial assets			394,410
Club debenture			12,200
Bank balances and cash			151,496
Other unallocated assets			<u>27,233</u>
Total assets			<u>1,671,850</u>
Liabilities			
Segment liabilities	<u>92,574</u>	<u>12,970</u>	105,544
Taxation payable			20,146
Bank borrowings			314,310
Other unallocated liabilities			<u>12,796</u>
Total liabilities			<u>452,796</u>

3. REVENUE AND SEGMENT INFORMATION (*CONTINUED*)

Segment assets and liabilities (*Continued*)

At 31 March 2015

	Provision of financial public relations services HK\$'000	Organisation and coordination of international roadshow services HK\$'000	Consolidated HK\$'000
Assets			
Segment assets	<u>180,395</u>	<u>63,038</u>	243,433
Available-for-sale investments			451,369
Other financial assets			38,100
Club debenture			12,200
Bank balances and cash			285,833
Other unallocated assets			<u>13,648</u>
Total assets			<u>1,044,583</u>
Liabilities			
Segment liabilities	<u>95,761</u>	<u>40,815</u>	136,576
Taxation payable			10,902
Bank borrowings			159,331
Other unallocated liabilities			<u>13,864</u>
Total liabilities			<u>320,673</u>

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

- all assets are allocated to reportable segments except for available-for-sale investments, other financial assets, deposits, prepayments and other receivables, club debenture and bank balances and cash.
- all liabilities are allocated to reportable segments except for accrued administrative expenses, taxation payable, deferred tax liability and bank borrowings.

3. REVENUE AND SEGMENT INFORMATION (*CONTINUED*)

Other segment information

For the year ended 31 March 2016

	Provision of financial public relations services <i>HK\$'000</i>	Organisation and coordination of international roadshow services <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Amounts included in the measure of segment profit or segment assets:				
Addition to non-current assets	30,240	–	–	30,240
Depreciation	3,554	–	–	3,554
Impairment loss recognised on trade receivables, net	3,191	–	–	3,191
Impairment loss reversed on amount due from a related party	(2,493)	–	–	(2,493)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or segment assets:				
Gain on disposal of available-for-sale investments	–	–	(19,509)	(19,509)
Interest expenses	–	–	1,999	1,999
Investment income from other financial assets	–	–	(1,480)	(1,480)
Investment income from available-for-sale investments	–	–	(29,589)	(29,589)
Income tax expenses	37,456	7,331	6,978	51,765

3. REVENUE AND SEGMENT INFORMATION (*CONTINUED*)

Other segment information (*Continued*)

For the year ended 31 March 2015

	Provision of financial public relations services <i>HK\$'000</i>	Organisation and coordination of international roadshow services <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Amounts included in the measure of segment profit or segment assets:				
Addition to non-current assets	6,197	–	–	6,197
Depreciation	1,976	5	–	1,981
Impairment loss recognised on trade receivables, net	2,060	165	–	2,225
Impairment loss reversed on amount due from a related party	(147)	–	–	(147)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or segment assets:				
Interest expenses	–	–	196	196
Investment income from other financial assets	–	–	(1,282)	(1,282)
Investment income from held-to-maturity investments	–	–	(9,844)	(9,844)
Income tax expenses	34,853	4,304	1,844	41,001

3. REVENUE AND SEGMENT INFORMATION (*CONTINUED*)

Geographical information

More than 90% of the Group's revenue are arisen in Hong Kong, the place of domicile of the relevant group entities for both years.

The Group's non-current assets (excluding club debenture) by geographical location of the assets are detailed below:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
PRC	26,666	—
Hong Kong	14,967	12,071
	<u>41,633</u>	<u>12,071</u>

During the years ended 31 March 2016 and 2015, no analysis of revenue from external customers for each type of services is presented as the directors consider the cost to develop would be excessive.

4. OTHER GAIN AND LOSS

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Impairment loss recognised on trade receivables, net	(3,191)	(2,225)
Impairment loss reversed on amount due from a related party	2,493	147
Foreign exchange losses	(107)	(798)
Gain on disposal of available-for-sale investments	19,509	—
	<u>18,704</u>	<u>(2,876)</u>

5. FINANCE COSTS

	2016 HK\$'000	2015 <i>HK\$'000</i>
Interest on bank borrowings	<u>1,999</u>	<u>196</u>

6. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging:

	2016 HK\$'000	2015 <i>HK\$'000</i>
Directors' and chief executive's remuneration	4,628	8,412
Other staff costs	62,570	51,423
Retirement benefit scheme contributions for other staff	5,485	4,590
Share-based payments for other staff	<u>971</u>	<u>1,573</u>
	<u>73,654</u>	<u>65,998</u>
Auditor's remuneration	910	900
Depreciation	3,554	1,981
Operating lease rentals in respect of office premises	15,726	9,368
and after crediting:		
Interest income from bank deposits	3,254	5,245
Commission income (included in other income)	3,222	4,886
Investment income from available-for-sale investments (included in other income)	29,589	–
Investment income from other financial assets (included in other income)	1,480	1,282
Investment income from held-to-maturity investments (included in other income)	<u>–</u>	<u>9,844</u>

7. TAXATION

	2016 HK\$'000	2015 HK\$'000
Hong Kong Profits Tax		
– current tax	52,059	40,714
– (over)underprovision in prior years	(473)	126
	<u>51,586</u>	<u>40,840</u>
Deferred taxation	179	161
	<u>51,765</u>	<u>41,001</u>

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

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 subsidiary is 25%.

8. DIVIDENDS

The final dividend of HK4.3 cents per share and special dividend of HK2.3 cents per share, totalling of approximately HK\$78.6 million, in respect of the year ended 31 March 2016 has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

During the year ended 31 March 2016, the Company declared and paid a final dividend of HK4.0 cents per share and a special dividend of HK2.0 cent per share, totalling HK\$72.0 million, in respect of the year ended 31 March 2015 and an interim dividend of HK3.7 cents per share and a special dividend of HK1.8 cents per share, totalling of approximately HK\$65.5 million, in respect of the year ended 31 March 2016.

During the year ended 31 March 2015, the Company declared and paid a final dividend of HK3.7 cents per share and a special dividend of HK1.7 cent per share, totalling HK\$54.0 million, in respect of the year ended 31 March 2014 and an interim dividend of HK3.2 cents per share and a special dividend of HK1.6 cents per share, totalling HK\$48.0 million, in respect of the year ended 31 March 2015.

9. EARNINGS PER SHARE

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

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Earnings		
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	<u>239,892</u>	<u>198,957</u>
	2016	2015
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,176,859,989	1,000,000,000
Effect of dilutive potential ordinary shares on share options	<u>4,084,342</u>	<u>2,446,561</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>1,180,944,331</u>	<u>1,002,446,561</u>

10. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Listed bond securities at fair value:		
– listed on the Stock Exchange with fixed coupon interests ranging from 3.0% to 7.75% per annum (2015: 4.0% to 7.125% per annum) and maturity dates ranging from 19 May 2017 to 23 April 2025 (2015: 21 November 2018 to 3 November 2024)	627,739	404,544
– listed on Singapore Exchange Securities Trading Limited with fixed coupon interests ranging from 4.125% to 8.75% per annum (2015: 4.375% to 12.0% per annum) and maturity dates ranging from 17 August 2018 to 2 May 2023 (2015: 17 February 2020 to 2 May 2023)	<u>236,740</u>	<u>46,825</u>
	<u>864,479</u>	<u>451,369</u>

10. AVAILABLE-FOR-SALE INVESTMENTS (CONTINUED)

The fair values of these listed bond securities are based on market bid prices at the end of reporting period.

At 31 March 2016, all available-for-sale investments were pledged to banks to secure the margin loans and short-term banking facilities granted to the Group.

11. CLUB DEBENTURE

At 31 March 2016, the unlisted club debenture of HK\$12,200,000 (2015: HK\$12,200,000) was classified as available-for-sale investment which is stated 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 value cannot be measured reliably.

12. ACCRUED REVENUE AND TRADE AND OTHER RECEIVABLES

	2016 HK\$'000	2015 HK\$'000
Accrued revenue	<u>–</u>	<u>2,814</u>
Trade receivables, net of allowance	<u>168,009</u>	<u>206,439</u>
Other receivables		
– Deposits	14,741	7,786
– Prepayments	604	183
– Staff advances	<u>3,868</u>	<u>535</u>
	<u>19,213</u>	<u>8,504</u>
Total trade and other receivables	<u>187,222</u>	<u>214,943</u>

12. ACCRUED REVENUE AND TRADE AND OTHER RECEIVABLES (CONTINUED)

Service income arising from initial public offerings (“**IPO**”) is recognised when services are rendered and is generally billed within one month from date of listing of its customers. Service income arising from retainer services from non-IPO Clients is recognised when services are rendered and is billed monthly, quarterly or semi-annually in arrears. Service income arising from organisation and coordination of international roadshow services from international roadshow clients is recognised when services are rendered and is generally billed within 30 days from the completion of the event. The Group generally grants a credit period of 30 days to its customers.

Accrued revenue represents service fees earned upon related services being rendered but not yet billed and due at the end of the reporting period.

The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Trade receivables:		
Invoiced		
– Within 30 days	68,380	63,137
– 31 to 90 days	35,973	35,795
– 91 days to 1 year	53,040	104,559
– Over 1 year	10,616	2,948
	<u>168,009</u>	<u>206,439</u>

13. OTHER FINANCIAL ASSETS

At 31 March 2016, the Group's other financial assets represent financial products issued by banks in the PRC, with maturity of 91 days to 1 year (2015: 91 days) and expected but not guaranteed returns ranging from 1.4% to 5.0% per annum (2015: 4.4% to 4.5% per annum), depending on the performance of its underlying investments, including investments in foreign currency or interest rate linked products, investment funds, bonds and debentures. The financial products are designated as financial assets at fair value through profit or loss at initial recognition and measured at fair value at the end of the reporting period. The directors of the Company consider the fair value of the financial products approximates to the carrying amount as at 31 March 2016 because of their short maturity.

14. TRADE AND OTHER PAYABLES

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Trade payables	<u>28,809</u>	<u>46,832</u>
Deposits received from customers	69,654	82,485
Salaries payable	6,645	10,153
Accrued expenses	10,320	8,508
Other payables	<u>2,471</u>	<u>2,200</u>
	<u>89,090</u>	<u>103,346</u>
Total trade and other payables	<u><u>117,899</u></u>	<u><u>150,178</u></u>

The average credit period is from 30 to 60 days.

The following is an aged analysis of trade payables based on the invoice dates at the end of the reporting period:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Trade payables:		
Invoiced		
– Within 30 days	12,570	18,423
– 31 to 60 days	1,559	2,306
– 61 to 90 days	1,018	6,939
– 91 days to 1 year	9,401	12,577
– Over 1 year	<u>4,261</u>	<u>5,025</u>
	28,809	45,270
Net yet billed	<u>–</u>	<u>1,562</u>
	<u><u>28,809</u></u>	<u><u>46,832</u></u>

15. BANK BORROWINGS

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Secured and repayable within one year	<u>314,310</u>	<u>159,331</u>

The amounts bear interests ranging from 0.60% to 0.70% per annum plus cost of funds of the lender for the year ended 31 March 2016 (2015: 0.85% per annum plus cost of funds of the lender).

16. PLEDGE OF ASSETS

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Available-for-sale investments	864,479	451,369
Bank balances and cash	<u>3,980</u>	<u>82,654</u>
	<u>868,459</u>	<u>534,023</u>

BUSINESS REVIEW

For the year ended 31 March 2016 the Group's revenue and profit for the year attributable to owners of the Company reached a record high. The Group recorded a total revenue of approximately HK\$619.1 million and a profit for the year attributable to owners of the Company for the year of approximately HK\$239.9 million, representing a year-on-year growth of approximately 18.2% and 20.6%, respectively. The Group's earnings per share increased from HK19.9 cents for the year ended 31 March 2015 to HK20.4 cents for the year ended 31 March 2016.

During the year, the Group focused operating activities on two business segments offering different types of services, namely the provision of financial public relations services and the organisation and coordination of international roadshow services.

Provision of Financial Public Relations Services (the “Financial PR services”)

Our financial PR services focus on the aspects of (i) public relations services; (ii) investor relations services; (iii) financial printing services and (iv) capital markets branding. The revenue for Financial PR services was approximately HK\$455.2 million, representing a growth of approximately 12.1% compared with that in last corresponding year. The segment results for Financial PR services was approximately HK\$260.3 million, representing an increase of approximately 10.2% compared to those in the last corresponding year. The increase was attributed to Hong Kong IPO market has been exceptionally strong and the amount of IPOs funds raised in Hong Kong during 2015 was ranked 1st worldwide.

Organisation and coordination of international roadshow services (the “Roadshow services”)

Our Roadshow services include coordinating and managing the overall logistics of investor presentations for our clients to ensure that the roadshow would run smoothly, which allows our clients to concentrate on the marketing aspect of their roadshow. During the year ended 31 March 2016, the performance of Roadshow services is continuously dramatically improved. Our revenue and segment results from Roadshow services were approximately HK\$164.0 million and HK\$48.2 million, respectively, representing an increase of approximately 39.4% and 51.7%, respectively compared to last corresponding year.

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group generally finances its operations with internally generated cash flow and banking facilities provided by its principal bankers in Hong Kong. The Group is financially sound and its cash position remains healthy. The Group's bank balances and cash and short-term bank deposits as of 31 March 2016 amounted to approximately HK\$151.5 million. Aside from the deposits placed with commercial banks with good reputation, the Group purchased principal guaranteed, short-term and low risk unlisted treasury financial products so as to ensure the security and value of the capital. Such products were offered and guaranteed by banks with good reputation. The principal of such products will be fully refunded upon maturity. Most of the terms of such products are or less than three months. The unguaranteed annualised rate of returns ranging from 1.4% to 5.0%. The Group takes a prudent approach in selecting financial products.

During the year ended 31 March 2016, the total available-for-sale investments was amount to approximately HK\$864.5 million which represent debt securities that are issued by subsidiaries/associates of various well-established enterprises and carry fixed interests ranging from 3.0% to 8.75% per annum, payable semi-annually, and will mature from May 2017 to April 2025. During the year ended 31 March 2016, the investment income derived from available-for-sale investments (classified as held-to-maturity investments in 2015) was approximately HK\$29.6 million (2015: HK\$9.8 million) in total. We believe that the available-for-sale investments would contribute stable additional cash inflows to the Group, on top of the cash inflows from the investing activities, in the long run. The Group will nevertheless review the financial performances of the available-for-sale investments from time to time and may consider to dispose them in light of the prevailing circumstances.

The Group's gearing ratio as at 31 March 2016 was 25.8% (2015: 22.0%), based on the short-term interest bearing bank loans and the equity attributable to equity holders of the Company. We believe that the Group's cash holding, liquid asset value, future revenue and available banking facilities will be sufficient to fulfill working capital requirements of the Group.

Exchange Rates Exposure

Most of the transactions of the Group were made in Hong Kong dollars, US dollars and Renminbi. As of 31 March 2016, the Group was not exposed to any material exchange risk on US dollars as the exchange rates of Hong Kong dollars and US dollars were relatively stable under the currency peg system. The Group currently does not have a foreign currency hedging policy on Renminbi but the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Pledge of assets

As at 31 March 2016, the available-for-sale investments amounting to approximately HK\$864.5 million (31 March 2015: HK\$451.4 million) and bank balance amounting to approximately HK\$4.0 million (31 March 2015: HK\$82.7 million) was pledged as security for bank facilities.

Contingent Liabilities

As at 31 March 2016, the Group had no contingent liabilities.

PROSPECTS

Looking forward, the Group expects that the business environment will continue to be full of challenges. However, the global economy has gradually improved from a long-term perspective, with more visible trend of reform increasing among enterprises in mainland China. The financial PR industry in mainland China and Hong Kong will still enjoy long and healthy growth potentials, particularly due to the long-term driving force and opportunities brought by the Mainland-Hong Kong Stock Connect.

For the year ended 31 March 2016, the Group still leads the market share of financial PR in Hong Kong. At the same time, in order to tailor to the dynamic business environment of the capital market, the Group will further develop the mainland Chinese team and continue to develop cross-border business platform which facing home and abroad market with Hong Kong and mainland teams collaborate seamlessly. As at the date of this report, PRC team successfully completed the listing of China Nuclear Engineering Co., Ltd. at Shanghai Stock Exchange with one stop integrated financial PR services. In the future, the Group will continue leveraging in financial PR, international roadshow, investor relations, financial printing and corporate branding, thereby provide comprehensive and diversified services to the clients.

The Group continued to deepen its effort in updating database platform, and actively established the “Wonderful Cloud” financial service platform at the same time. By combining both online and offline services, the mobile Internet (including Internet live broadcasting) based platform provides capital market professionals, executives of listed companies and public users an interactive platform with professional data services. It is expected that the step will not only help to expand new online business for the Group, but also contribute to increasing the client loyalty as well as helping regional expansion.

As at the date of this report, The Group has actively formulated its globalize development strategy; keeps on exploring potential opportunities of merge, joint venture or cooperation with overseas market and upstream-downstream. The Group may also implement strategic merger, acquisition or set up joint ventures with firms in the Mainland China or Hong Kong. If such opportunity materializes, announcement will be made in accordance with the Listing Rules as and when appropriate.

Looking ahead, the Group will continue leveraging its experience, skill set and know how to develop new growth potentials and create new cutting edge services so as to solidify our leading position in the future and maximize the value to shareholders of the listed companies.

USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

On 30 March 2012, the Company received the net proceeds in the sum of approximately HK\$314.8 million raised from the issue of new shares at the time of its listing on the Main Board of the Stock Exchange. Such net proceeds were derived after deduction of related issuance expenses. As at 31 March 2016, the Group used net proceeds of approximately HK\$63.0 million, of which approximately HK\$31.5 million was used for establishing an additional office in Hong Kong as well as recruiting additional staff members and approximately HK\$31.5 million was used for as working capital and other general corporate purposes of the Group. The remaining net proceeds are placed on short term deposits and/or money market instruments with authorized financial institutions and/or licensed banks in Hong Kong and/or the PRC. The Directors are of the opinion that the net proceeds will be applied in the coming years to their intended uses as set out in the Company's prospectus dated 19 March 2012.

USE OF PROCEEDS FROM THE COMPANY'S SHARE PLACEMENT

The Company received the net proceeds in the sum of approximately HK\$423.0 million raised from the issue of new shares at the time of its top-up placing and it is top-up subscription which were fully completed on 4 May 2015.

The proceeds will be use on establishment of a mobile internet professional service platform, the "Wonderful Cloud", which provides online to offline ("O2O") financial services to our customers and public investment community.

Currently, the net proceeds are placed on short-term deposits and/or money market instruments with authorized financial institutions and/or licensed banks in Hong Kong and/or the PRC. The Directors are of the opinion that the net proceeds will be applied in the coming years to their intended uses as set out in the Company's announcement dated 4 May 2015 on the website of the Stock Exchange.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31 March 2016, the Group had 281 full-time employees. Remuneration packages are generally structured by reference to market terms and individual merits. Salaries are normally reviewed on an annual basis and bonuses paid, if any, will be based on performance appraisals and other relevant factors. Staff benefits plans maintained by the Group include mandatory provident fund scheme, share option scheme and medical insurance.

FINAL DIVIDEND AND SPECIAL DIVIDEND

In appreciation of our shareholders' support, the Directors recommended the payment of a final dividend of HK4.3 cents per share and special dividend of HK2.3 cents per share for the year ended 31 March 2016 to all shareholders whose names appear on the register of members of the Company on 22 August 2016. Subject to the approval of the shareholders at the forthcoming annual general meeting, the proposed final dividend and special dividend is expected to be paid on or about 26 August 2016. The proposed final and special dividend, together with the interim and special dividend of HK5.5 cents per share paid in December 2015, amounts to a total dividend for the year ended 31 March 2016 of HK12.1 cents per share.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "AGM") will be held on 12 August 2016. The notice of the AGM will be published on the Company's website (<http://www.wsfg.hk>) and the Stock Exchange's website (<http://www.hkexnews.hk>) and sent to the shareholders of the Company, together with the Company's annual report, in due course.

CLOSURE OF REGISTER OF MEMBERS FOR THE ANNUAL GENERAL MEETING

The AGM of the Company will be held on 12 August 2016. The register of members of the Company will be closed from 10 August 2016 to 12 August 2016 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 9 August 2016.

CLOSURE OF REGISTER OF MEMBERS FOR DIVIDENDS

The register of members of the Company will be closed from 18 August 2016 to 22 August 2016 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and special dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 17 August 2016.

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

During the year, the Company repurchased a total of 10,122,000 ordinary shares of the Company on the Stock Exchange, all of which 9,178,000 and 974,000 shares were cancelled on 6 August 2015 and 6 October 2015 respectively. The details of the repurchases were disclosed as follows:

Date of Repurchase	No. of Shares Repurchase	Repurchased Price		Total Consideration Paid
		Highest HK\$	Lowest HK\$	HK\$'000
7 July 2015	9,148,000	1.90	1.58	16,139
1 September 2015	320,000	1.61	1.50	503
2 September 2015	326,000	1.53	1.51	496
7 September 2015	328,000	1.49	1.48	490
Total	10,122,000			17,628

Saved as disclosed herein, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2016.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The audit committee has reviewed with the management about the Group's annual results for the year ended 31 March 2016, the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters in connection with the preparation of the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2016.

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 2016 as set out in the 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. 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 on the preliminary announcement.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance practices. During the year, it had met all the code provisions in the Corporate Governance Code (the “**Code**”) set out in Appendix 14 to the Listing Rules, save and except for the following deviation:

Code provision A.2.1

Under code provision A.2.1, the roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. The roles of both Chairman and Chief Executive Officer are performed by Mr. Liu Tianni currently. Mr. Liu is a founder of the Group and has over 15 years of experience in the financial investment sector as well as the financial public relation sector. The Board believes that vesting the two roles in the same person provides the Company with strong and consistent leadership and facilitates the implementation and execution of the Group's business strategies currently and in the foreseeable future. The Group will nevertheless review the structure from time to time in light of the prevailing circumstances.

Code provision A.6.7

Under code provision A.6.7 of the Code, independent non-executive directors and other non-executive directors, should attend general meetings and develop a balanced understanding of the views of shareholders. A non-executive director, Ms. Sun Bin, was unable to attend the Company's annual general meeting held on 12 August 2015 due to other business commitments.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on the same terms as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, they have confirmed compliance with the required standard set out in the Model Code during the year ended 31 March 2016.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual general meeting of the Company (the “**AGM**”) will be held on 12 August 2016. The result announcement is published on the Company's website (<http://www.wsfg.hk>) and the Stock Exchange's website (<http://www.hkexnews.hk>). The annual report containing all the information required by the Listing rules will be available on the same websites, and will be dispatched to the shareholders in due course.

By Order of the Board
Wonderful Sky Financial Group Holdings Limited
Liu Tianni
Chairman

Hong Kong, 28 June 2016

As at the date of this announcement, the executive directors of the Company are Mr. Liu Tianni and Ms. Liu Lin and the independent non-executive directors of the Company are Ms. Li Ling Xiu, Ms. Lam Ling and Ms. Lee Wing Sze Rosa.

The English text of this announcement shall prevail over its Chinese text in case of inconsistency.