WANG ON GROUP LIMITED
（宏安集團有限公司）*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2016

The board of directors (the "**Board**") of Wang On Group Limited (the "**Company**") is pleased to announce the 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 financial year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2016

	Notes	**2016** *HK$'000*	2015 *HK$'000*
REVENUE	5	**916,947**	1,500,023
Cost of sales		**(569,046)**	(802,976)
Gross profit		**347,901**	697,047
Other income and gains, net	5	**338,638**	45,622
Selling and distribution expenses		**(49,882)**	(64,580)
Administrative expenses		**(190,956)**	(152,270)
Other expenses		**(34,106)**	(239,103)
Finance costs	7	**(23,993)**	(18,765)
Fair value gains/(losses) of financial assets at fair value through profit or loss, net		**(29,656)**	71,615
Fair value gains on investment properties, net		**5,098**	111,701
Fair value gain upon transfer of a property held for sale to an investment property		**–**	107,929
Reversal of write-down of properties under development		**49,564**	–
Share of profits and losses of:			
A joint venture		**514**	4,788
An associate		**31,695**	135,658

* *For identification purpose only*

	Notes	2016 HK$'000	2015 HK$'000
PROFIT BEFORE TAX	*6*	**444,817**	699,642
Income tax credit/(expense)	*8*	**3,641**	(111,629)
PROFIT FOR THE YEAR		**448,458**	588,013
OTHER COMPREHENSIVE INCOME			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Available-for-sale investments:			
Changes in fair value		**33,437**	(126,625)
Reclassification adjustment for an impairment loss included in profit or loss		**–**	74,236
		33,437	(52,389)
Exchange differences on translation of foreign operations		**1,951**	(278)
Other reserves:			
Release upon deemed partial disposal of an associate		**–**	69
Share of other comprehensive loss of a joint venture		**(4,134)**	(1,047)
Share of other comprehensive income/(loss) of an associate		**1,195**	(21,298)
		(2,939)	(22,276)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**32,449**	(74,943)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**480,907**	513,070
Profit attributable to:			
Owners of the parent		**449,077**	588,188
Non-controlling interests		**(619)**	(175)
		448,458	588,013

	Note	**2016**	2015
		HK$'000	*HK$'000*
Total comprehensive income attributable to:			
Owners of the parent		**481,526**	513,245
Non-controlling interests		**(619)**	(175)
		480,907	513,070
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*10*		(Restated)
Basic		**HK2.30 cents**	HK3.00 cents
Diluted		**HK2.30 cents**	HK3.00 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2016

	Notes	2016 HK$'000	2015 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**92,554**	66,973
Investment properties		**579,200**	1,569,570
Properties under development		**350,000**	300,273
Investment in a joint venture		**88,253**	95,082
Investment in an associate		**571,469**	504,702
Available-for-sale investments		**313,996**	478,104
Loans and interest receivables	*12*	**7,196**	371
Deposits paid		**1,896**	3,499
Deferred tax assets		**1,577**	3,649
Total non-current assets		**2,006,141**	3,022,223
CURRENT ASSETS			
Properties under development		**2,560,519**	2,354,889
Properties held for sale		**91,981**	438,149
Available-for-sale investments		**201,424**	–
Trade receivables	*11*	**9,438**	3,120
Loans and interest receivables	*12*	**279,622**	84,978
Prepayments, deposits and other receivables		**37,425**	180,805
Financial assets at fair value through profit or loss		**343,639**	209,933
Tax recoverable		**906**	4,102
Cash and cash equivalents		**1,287,315**	1,046,987
		4,812,269	4,322,963
Assets classified as held for sale		**226,059**	–
Total current assets		**5,038,328**	4,322,963
CURRENT LIABILITIES			
Trade payables	*13*	**52,444**	87,730
Other payables and accruals		**57,355**	65,357
Deposits received and receipts in advance		**82,254**	209,320
Interest-bearing bank and other loans		**600,047**	820,816
Provisions for onerous contracts		**–**	1,651
Tax payable		**51,247**	147,211
		843,347	1,332,085
Liabilities directly associated with the assets classified as held for sale		**1,471**	–
Total current liabilities		**844,818**	1,332,085
NET CURRENT ASSETS		**4,193,510**	2,990,878
TOTAL ASSETS LESS CURRENT LIABILITIES		**6,199,651**	6,013,101

	2016	2015
	HK$'000	*HK$'000*
TOTAL ASSETS LESS CURRENT LIABILITIES	**6,199,651**	6,013,101
NON-CURRENT LIABILITIES		
Interest-bearing bank and other loans	**1,608,741**	1,807,781
Deferred tax liabilities	**12,970**	7,307
Other payables	**21,973**	7,581
Total non-current liabilities	**1,643,684**	1,822,669
Net assets	**4,555,967**	4,190,432
EQUITY		
Equity attributable to owners of the parent		
Issued capital	**192,885**	65,249
Reserves	**4,364,385**	4,125,205
	4,557,270	4,190,454
Non-controlling interests	**(1,303)**	(22)
Total equity	**4,555,967**	4,190,432

NOTES TO FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, available-for-sale investments and financial assets at fair value through profit or loss, which have been measured at fair value. A disposal group held for sale is stated at the lower of its carrying amount less cost. These financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;
(b) rights arising from other contractual arrangements; and
(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised standards for the first time for the current year's financial statements.

Amendments to HKAS 19 *Defined Benefit Plans: Employee Contributions*
Annual Improvements to HKFRSs 2010-2012 Cycle
Annual Improvements to HKFRSs 2011-2013 Cycle

The nature and the impact of each amendment is described below:

(a) Amendments to HKAS 19 apply to contributions from employees or third parties to defined benefit plans. The amendments simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. If the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction of service cost in the period in which the related service is rendered. The amendments have had no impact on the Group as the Group does not have defined benefit plans.

(b) The *Annual Improvements to HKFRSs 2010-2012 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

HKFRS 8 *Operating Segments*: Clarifies that an entity must disclose the judgements made by management in applying the aggregation criteria in HKFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar. The amendments also clarify that a reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments have had no impact on the Group.

HKAS 16 *Property*, Plant and Equipment and HKAS 38 *Intangible Assets*: Clarifies the treatment of gross carrying amount and accumulated depreciation or amortisation of revalued items of property, plant and equipment and intangible assets. The amendments have had no impact on the Group as the Group does not apply the revaluation model for the measurement of these assets.

HKAS 24 *Related Party Disclosures*: Clarifies that a management entity (i.e., an entity that provides key management personnel services) is a related party subject to related party disclosure requirements. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendment has had no impact on the Group as the Group does not receive any management services from other entities.

(c) The *Annual Improvements to HKFRSs 2011-2013 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

HKFRS 3 *Business Combinations*: Clarifies that joint arrangements but not joint ventures are outside the scope of HKFRS 3 and the scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is applied prospectively. The amendment has had no impact on the Group as the Company is not a joint arrangement and the Group did not form any joint arrangement during the year.

HKFRS 13 *Fair Value Measurement*: Clarifies that the portfolio exception in HKFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of HKFRS 9 or HKAS 39 as applicable. The amendment is applied prospectively from the beginning of the annual period in which HKFRS 13 was initially applied. The amendment has had no impact on the Group as the Group does not apply the portfolio exception in HKFRS 13.

HKAS 40 *Investment Property*: Clarifies that HKFRS 3, instead of the description of ancillary services in HKAS 40 which differentiates between investment property and owner-occupied property, is used to determine if the transaction is a purchase of an asset or a business combination. The amendment is applied prospectively for acquisitions of investment properties. The amendment has had no impact on the Group as the Group did not acquire any investment properties during the year.

In addition, the Company has adopted the amendments to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**") relating to the disclosure of financial information with reference to the Hong Kong Companies Ordinance (Cap. 622) during the current financial year. The main impact to the financial statements is on the presentation and disclosure of certain information in the financial statements.

3. ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 9	*Financial Instruments*[2]
Amendments to HKFRS 10 and HKAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[5]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	*Investment Entities: Applying the Consolidation Exception*[1]
Amendments to HKFRS 11	*Accounting for Acquisitions of Interests in Joint Operations*[1]
HKFRS 14	*Regulatory Deferral Accounts*[4]
HKFRS 15	*Revenue from Contracts with Customers*[2]
HKFRS 16	*Leases*[3]
Amendments to HKAS 1	*Disclosure Initiative*[1]
Amendments to HKAS 16 and HKAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation*[1]
Amendments to HKAS 16 and HKAS 41	*Agriculture: Bearer Plants*[1]
Amendments to HKAS 27 (2011)	*Equity Method in Separate Financial Statements*[1]
Annual Improvements 2012–2014 Cycle	Amendments to a number of HKFRSs[1]

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

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

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

4 Effective for an entity that first adopts HKFRSs for its annual financial statements beginning on or after 1 January 2016 and therefore is not applicable to the Group

5 No mandatory effective date is determined but available for early adoption

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 April 2018. The Group is currently assessing the impact of the standard.

The amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively.

The amendments to HKFRS 11 require that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a business must apply the relevant principles for business combinations in HKFRS 3. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to HKFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party. The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 April 2016.

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In September 2015, the HKICPA issued an amendment to HKFRS 15 regarding a one-year deferral of the mandatory effective date of HKFRS 15 to 1 January 2018. The Group expects to adopt HKFRS 15 on 1 April 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

HKFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard 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. 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. HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Group is yet to assess the full impact of the standard on its financial position and results of operations. The standard is mandatorily effective for annual periods beginning on or after 1 January 2019.

Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:

(i) the materiality requirements in HKAS 1;

(ii) that specific line items in the statement of profit or loss and the statement of financial position may be disaggregated;

(iii) that entities have flexibility as to the order in which they present the notes to financial statements; and

(iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss. The Group expects to adopt the amendments from 1 April 2016. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 16 and HKAS 38 clarify the principle in HKAS 16 and HKAS 38 that revenue reflects a pattern of economic benefits that are generated from operating business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are to be applied prospectively. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 April 2016 as the Group has not used a revenue-based method for the calculation of depreciation of its non-current assets.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

(a) the property development segment engages in the development of properties;

(b) the property investment segment engages in investment and the trading of car parking spaces, industrial and commercial premises and residential units for rental or for sale;

(c) the Chinese wet markets segment engages in the management and sub-licensing of Chinese wet markets; and

(d) the provision of finance segment engages in money lending and investments in debt securities.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, fair value gains/losses from the Group's financial assets at fair value through profit or loss, head office and corporate income and expenses and share of profits and losses of a joint venture and an associate are excluded from such measurement.

During the year, Management decided to amend the format of management information by excluding the fair value gains/losses arising from financial assets at fair value through profit or loss from reportable segments for the purpose of assessing the performance of the operating segments. Management is of the view that the gains/losses arising from such investments are not related to the principal activities of each operating segment and therefore, they should be included as a corporate item under the reconciliation section. Comparative figures have been restated to conform to the current year's presentation.

Year ended 31 March

	Property development		Property investment		Chinese wet markets		Provision of finance		Total	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:										
Sales to external customers	**618,645**	1,210,177	**40,824**	33,973	**181,406**	173,566	**76,072**	82,307	**916,947**	1,500,023
Other revenue	**52,652**	128,788	**312,539**	112,385	**14,143**	6,950	**1,202**	1,967	**380,536**	250,090
Total	**671,297**	1,338,965	**353,363**	146,358	**195,549**	180,516	**77,274**	84,274	**1,297,483**	1,750,113
Segment results	**124,577**	526,880	**324,074**	121,461	**26,600**	25,496	**65,631**	82,219	**540,882**	756,056
Reconciliation:										
Bank interest income									**6,493**	10,424
Finance costs									**(23,993)**	(18,765)
Fair value gains/(losses) of financial assets at fair value through profits or loss, net									**(29,656)**	71,615
Corporate and unallocated income									**9,238**	4,738
Corporate and unallocated expenses									**(90,356)**	(264,872)
Share of profits and losses of:										
A joint venture									**514**	4,788
An associate									**31,695**	135,658
Profit before tax									**444,817**	699,642
Income tax credit/(expense)									**3,641**	(111,629)
Profit for the year									**448,458**	588,013

Year ended 31 March

	Property development		Property investment		Chinese wet markets		Provision of finance		Corporate and others		Total	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Other segment information:												
Depreciation	**12**	40	**1,960**	1,959	**3,085**	1,523	**–**	–	**2,172**	2,476	**7,229**	5,998
Impairment of an available-for-sale investment	**–**	–	**–**	–	**–**	–	**–**	1,917	**–**	72,319	**–**	74,236
Reversal of write-down of properties under development	**(49,564)**	–	**–**	–	**–**	–	**–**	–	**–**	–	**(49,564)**	–
Impairment of trade receivables, net	**–**	–	**–**	–	**–**	86	**–**	–	**–**	–	**–**	86
Capital expenditure*	**82**	–	**1,518**	235,265	**32,249**	564	**–**	–	**791**	1,760	**34,640**	237,589
Fair value losses/(gains) on financial assets at fair value through profit or loss, net	**–**	–	**–**	–	**–**	–	**–**	–	**29,656**	(71,615)	**29,656**	(71,615)
Fair value losses/(gains) on investment properties, net	**2,967**	–	**(8,065)**	(111,701)	**–**	–	**–**	–	**–**	–	**(5,098)**	(111,701)
Fair value gain upon transfer of a property held for sale to an investment property	**–**	(107,929)	**–**	–	**–**	–	**–**	–	**–**	–	**–**	(107,929)
Investment in a joint venture	**–**	–	**–**	–	**88,253**	95,082	**–**	–	**–**	–	**88,253**	95,082
Investment in an associate	**–**	–	**–**	–	**–**	–	**–**	–	**571,469**	504,702	**571,469**	504,702
Share of profits and losses of:												
A joint venture	**–**	–	**–**	–	**(514)**	(4,788)	**–**	–	**–**	–	**(514)**	(4,788)
An associate	**–**	–	**–**	–	**–**	–	**–**	–	**(31,695)**	(135,658)	**(31,695)**	(135,658)

* Capital expenditure consists of additions to property, plant and equipment and investment properties.

Geographical information

(a) Sales to external customers

	2016	2015
	HK$'000	*HK$'000*
Hong Kong	**916,947**	1,499,957
Mainland China	**–**	66
	916,947	1,500,023

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2016	2015
	HK$'000	*HK$'000*
Hong Kong	**1,593,223**	2,441,518
Mainland China	**88,253**	95,082
	1,681,476	2,536,600

The non-current assets information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about a major customer

For the year ended 31 March 2015 and 2016, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

5. REVENUE, OTHER INCOME AND GAINS, NET

Revenue represents sub-licensing and management fee income received and receivable; the value of services rendered; gross rental income received and receivable from investment properties; proceeds from the sale of properties; and interest income received and receivable during the year.

An analysis of the Group's revenue, other income and gains, net, is as follows:

	2016	2015
	HK$'000	*HK$'000*
Revenue		
Sub-licensing fee income	**179,806**	173,118
Property management fee income	**1,472**	2,358
Gross rental income	**45,670**	33,599
Sale of properties	**613,927**	1,208,641
Interest income from loans receivable and bonds investment	**76,072**	82,307
	916,947	1,500,023
Other income		
Bank interest income	**6,493**	10,424
Imputed interest income from bonds investment	**3,878**	947
Dividend income from listed securities	**1,271**	2,500
Management fee income	**3,510**	2,760
Forfeiture of deposits	**2,693**	18,978
Sale of pork	**1,241**	–
Others	**15,246**	9,984
	34,332	45,593
Gains, net		
Gain on disposal of subsidiaries, net	**304,306**	–
Exchange gains, net	**–**	29
	304,306	29
Other income and gains, net	**338,638**	45,622

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2016	2015
	HK$'000	*HK$'000*
Cost of services provided	**400,866**	137,398
Cost of properties sold	**159,623**	654,936
Depreciation	**7,229**	5,998
Minimum lease payments under operating leases	**123,928**	105,746
Auditors' remuneration	**3,200**	2,400
Employee benefit expense (including directors' remuneration):		
Wages and salaries	**114,283**	124,817
Pension scheme contributions	**2,089**	1,818
Less: Amount capitalised	**(12,991)**	(19,679)
	103,381	106,956
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	**8,557**	10,642
Impairment of an available-for-sale investment*	**–**	74,236
Loss on disposal of an investment property*	**4,576**	660
Loss on disposal of items of property, plant and equipment*	**–**	42
Impairment of investment in an associate*	**19,800**	–
Loss on deemed partial disposals of an associate*	**–**	164,079
Gain on bargain purchase	**(26,272)**	(112,066)
Amount utilised for onerous contracts, net	**(1,651)**	(2,398)
Impairment of trade receivables, net*	**–**	86
Foreign exchange differences, net*	**9,730**	(29)

* These expenses are included in "Other expenses" on the face of the consolidated statement of profit or loss and other comprehensive income.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	2016	2015
	HK$'000	*HK$'000*
Interest on bank loans and other loans	**70,138**	48,222
Less: Interest capitalised	**(46,145)**	(29,457)
	23,993	18,765

8. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. The Group's subsidiaries, which are established in the People's Republic of China (the "PRC"), had no assessable profits during the year.

	2016	2015
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the year	**16,867**	83,037
Under/(over) provision in prior years	**(29,324)**	28,813
	(12,457)	111,850
Deferred	**8,816**	(221)
Total tax charge/(credit) for the year	**(3,641)**	111,629

9. DIVIDENDS

	Notes	2016 HK$'000	2015 HK$'000
Interim – HK0.1 cent (2015: HK1.0 cent) per ordinary share		**19,576**	65,249
Special interim dividend by way of distribution in specie	*(i)*	**–**	32,572
Special dividend – Nil (2015: HK1.5 cents) per ordinary share		**–**	97,874
Proposed final – HK0.5 cent (2015: HK1.0 cent) per ordinary share	*(ii)*	**96,443**	65,249
		116,019	260,944

Notes:

(i) During the year ended 31 March 2015, a special interim dividend was declared by way of distribution in specie of the shares of Easy One Financial Group Limited (formerly: PNG Resources Holdings Limited) ("**Easy One**") held by the Group to the shareholders of the Company in the proportion of 3 Easy One shares for every 125 shares in the issued share capital of the Company. A total of 156,597,840 Easy One shares with an aggregate market value of HK$32,572,000 was recognised as distribution during the year ended 31 March 2015.

(ii) The final dividend proposed subsequent to the reporting period has not been recognised as a liability at the end of the reporting period and is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 19,524,327,549 (2015: 19,574,805,063 (restated)) in issue during the year, as adjusted retrospectively to reflect the bonus issue during the year.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the effect of the deemed exercise of all outstanding share options into ordinary shares. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all outstanding share options into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2016	2015
	HK$'000	*HK$'000*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	**449,077**	588,188

	Number of shares	
	2016	2015
		(restated)
Shares		
Weighted average number of ordinary shares in issue during the year, used in the basic earnings per share calculation	**19,524,327,549**	19,574,805,063
Effect of dilution – weighted average number of ordinary shares: Share options	**23,799**	162,429
Weighted average number of ordinary shares, used in the diluted earnings per share calculation	**19,524,351,348**	19,574,967,492

11. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	2016	2015
	HK$'000	*HK$'000*
Within 90 days	**9,295**	3,101
91 days to 180 days	**1**	144
Over 180 days	**359**	92
	9,655	3,337
Less: Impairment	**(217)**	(217)
	9,438	3,120

The Group generally grants a credit period of 15 to 30 days to customers for its sub-leasing business. The Group generally does not grant any credit to customers of other businesses.

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing. The carrying amounts of trade receivables approximate to their fair values.

The movements in provision for impairment of trade receivables are as follows:

	2016	2015
	HK$'000	*HK$'000*
At 1 April	**217**	131
Impairment losses recognised *(note 6)*	**–**	158
Impairment losses reversed *(note 6)*	**–**	(72)
At 31 March	**217**	217

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of HK$217,000 (2015: HK$217,000) with a carrying amount before provision of HK$236,000 (2015: HK$236,000).

The individually impaired trade receivables relate to customers that were in financial difficulties and only a portion of the receivables is expected to be recovered.

The aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

	2016	2015
	HK$'000	*HK$'000*
Neither past due nor impaired	**9,295**	3,101

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

12. LOANS AND INTEREST RECEIVABLES

	Notes	2016 HK$'000	2015 HK$'000
Loans and interest receivables, secured	*(i)*	**71,260**	905
Loans and interest receivables, unsecured	*(ii)*	**221,402**	90,288
		292,662	91,193
Less: Impairment	*(iii)*	**(5,844)**	(5,844)
		286,818	85,349
Less: Loans and interest receivables classified as non-current assets		**(7,196)**	(371)
		279,622	84,978

Notes:

(i) These loans receivables are stated at amortised cost at effective interest rates ranging from 10% to 24% (2015: 5%). The credit terms of these loans receivables range from 1 year to 6 years (2015: 6 years). As these loans receivables relate to a number of different borrowers, the directors are of the opinion that there is no concentration of credit risk over these loans receivables. The carrying amounts of these loans receivables approximate to their fair values.

(ii) These loans receivables are stated at amortised cost at effective interest rates ranging from 5% to 34.8% (2015: 4% to 12%). The credit terms of these loan receivables range from 3 months to 22 years (2015: 1 year to 22 years). As these loans receivables relate to a number of different borrowers, the directors are of the opinion that there is no concentration of credit risk over these loans receivables. The carrying amounts of these loans receivables approximate to their fair values.

(iii) The movements in provision for impairment of loans and interest receivables are as follows:

	2016 HK$'000	2015 HK$'000
At 1 April and 31 March	**5,844**	5,844

Included in the above provision for impairment of loans and interest receivables are provision for individually impaired receivables of HK$5,844,000 (2015: HK$5,844,000) with an aggregate carrying amount of HK$5,844,000 (2015: HK$5,844,000).

The individually impaired loans and interest receivables relate to borrowers that was in financial difficulties and was in default in both interest and principal payments.

The aged analysis of the loans and interest receivables that are not individually nor collectively considered to be impaired is as follows:

	2016	2015
	HK$'000	*HK$'000*
Neither past due nor impaired	**286,818**	85,349

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

13. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2016	2015
	HK$'000	*HK$'000*
Within 90 days	**52,444**	87,730

The trade payables are non-interest-bearing and have an average term of 30 days. The carrying amounts of the trade payables approximate to their fair values.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the financial year ended 31 March 2016, the Group's revenue and profit attributable to owners of the parent amounted to approximately HK$916.9 million (2015: approximately HK$1,500.0 million) and approximately HK$449.1 million (2015: approximately HK$588.2 million) respectively.

DIVIDENDS

The Board has recommended the payment of a final dividend of HK0.5 cent (2015: HK1.0 cent) per ordinary share for the year ended 31 March 2016 to shareholders on the register of members of the Company as of Wednesday, 17 August 2016. The final dividend will be paid on or around Thursday, 25 August 2016, subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on Tuesday, 9 August 2016. Together with the interim dividend of HK0.1 cent (2015: (i) a cash dividend of HK1.0 cent; (ii) distribution in specie of shares in a listed issuer, namely Easy One, in the proportion of 3 shares of HK$0.01 each of Easy One for every multiple of 125 shares in the Company held of approximately HK0.5 cent; and (iii) a special dividend of HK1.5 cents) per ordinary share), the total dividends for the year ended 31 March 2016 will be HK0.6 cent (2015: HK4.0 cents) per ordinary share.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for the following periods:

(a) for determining eligibility to attend and vote at the 2016 annual general meeting:

Latest time and date to lodge transfer documents for registration:	4:30 p.m., Wednesday, 3 August 2016
Closure of register of members:	Thursday, 4 August 2016 to Tuesday, 9 August 2016 (both days inclusive)
Record date:	Tuesday, 9 August 2016

(b) *for determining entitlement to the proposed final dividend:*

Latest time and date to lodge transfer documents for registration:	4:30 p.m., Monday, 15 August 2016
Closure of register of members:	Tuesday, 16 August 2016 to Wednesday, 17 August 2016 (both days inclusive)
Record date:	Wednesday, 17 August 2016

In order to be eligible to attend and vote at the 2016 annual general meeting and to qualify for the proposed final dividend, all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than the respective latest time and date set out above.

BUSINESS REVIEW

The Group's revenue for the year ended 31 March 2016 amounted to approximately HK$916.9 million (2015: approximately HK$1,500.0 million), which represented a notable decrease of approximately HK$583.1 million compared with last year. This year the Group had fewer completion of sale of property development projects. Profit attributable to owners of the parent for the year was approximately HK$449.1 million (2015: approximately HK$588.2 million), which represented only a moderate decrease from last year. In summary, the Group continued to achieve favourable results this year. Apart from the recurring rental and Chinese wet market sub-licensing income, it was contributed mainly by the completion and delivery of the residential project, "The Met. Delight", as well as the remaining units of "The Met. Sublime". Besides, the Group also disposed of a number of investment properties during the year including the shopping mall, Riviera Plaza in Tsuen Wan. The business of provision of finance had generated satisfactory results for the Group.

Property Development

Revenue recognised in this business segment during the year amounted to approximately HK$618.6 million (2015: approximately HK$1,210.2 million) which was contributed mainly by the completion and delivery of the residential project, "The Met. Delight" at Camp Street in Cheung Sha Wan and the remaining units of "The Met. Sublime" at Kwai Heung Street in Sai Ying Pun. The decrease in revenue for the reporting year was mainly attributable to fewer delivery of completed projects compared with last year. A general summary and update of the current property development projects of the Group are listed below.

One of the two unsold upper floor units in “726 Nathan Road” was disposed of in February 2016, while the other unsold upper floor unit was successfully leased out. The shop on ground floor continued to generate rental income to the Group.

The site at 575-575A Nathan Road, Mong Kok has completed foundation work, construction of superstructure will soon begin. This site will be developed into another versatile Ginza type commercial complex in the crowded Nathan Road area after the previous successful “726 Nathan Road” project. Targeted completion date of this development is expected to be in late 2017.

The site at Ma Kam Street, Ma On Shan in Sha Tin (Sha Tin Town Lot No. 599) was acquired in July 2014 through a tender of Hong Kong Government land sale. It is a residential development site with flat number restrictions with a required minimum of 310 units to be built. Foundation works will soon complete and superstructure will immediately follow. Expected completion of this project will be in 2018. The Group owns 60% equity interest in this development and the results and financial position of this site are consolidated into the financial statements of the Group.

Another site in Sha Tin district located at Hang Kwong Street, Ma On Shan (Sha Tin Town Lot No. 598) was also acquired by the Group through a tender of the Hong Kong Government land sale in September 2014. It is also a residential development site with flat number restrictions with minimum of 180 units to be built. Again, foundation works will also complete soon. Construction works of the site is expected to be completed in 2017. The Group also owns 60% equity interest in this development and the results and financial position of this site are consolidated into the financial statements of the Group.

The Group’s third residential land piece in Sha Tin district, the site at Tai Po Road – Tai Wai section (Sha Tin Town Lot No. 587) was also acquired in the same way as the previous two in February 2015. General building plan has been approved, slope and site formation works is progressing smoothly. The site is situated at an area of traditionally prime residential zone neighboring the Sha Tin Heights Road and Lower Shing Mun Road, which is highly favourable for premium residential development. The Group solely owns this development and it is expected the project will be delivered to purchasers in early 2019.

Development works of the site at 13 and 15 Sze Shan Street, Yau Tong was still being paused, pending the negotiation with the Hong Kong Government in respect of the amount of land premium required for redevelopment of the site.

As at 31 May 2016, the Group had a development land portfolio as follows:

Location	Approximate site area (square feet)	Intended usage	Anticipated year of completion
575-575A Nathan Road, Mongkok	2,100	Commercial	2017
Hang Kwong Street, Ma On Shan (Sha Tin Town Lot No. 598)	33,300	Residential	2017
Ma Kam Street, Ma On Shan (Sha Tin Town Lot No. 599)	33,300	Residential	2018
Tai Po Road – Tai Wai section in Sha Tin (Sha Tin Town Lot No. 587)	71,000	Residential	2019
13 and 15 Sze Shan Street, Yau Tong	41,000	Residential and Commercial	2020

Having a sufficient development land reserve is crucial to the sustainable operation of the Group in the long run, the Group has never ceased its proactive participation in the search and tender for land reserve. The Group has also explored other ways of collaboration with external parties for development opportunities. On the other hand, the management of the Group has employed various cost saving exercises to control the soaring cost of construction which it considers one of the most instrumental risk factors in its property development business, alongside with general economic sentiment and land supply. The Group will also dedicate further resources in its brand building for its property development business and residential and commercial projects.

Property Investment

As at 31 March 2016, the Group's portfolio of investment properties comprised of commercial, industrial and residential units located in Hong Kong with a total carrying value of approximately HK$795.3 million (31 March 2015: approximately HK$1,569.6 million).

During the year, the Group received gross rental income of approximately HK$40.8 million (2015: approximately HK$34.0 million), representing an increase of approximately HK$6.8 million over last year. The increase in gross rental income was primarily attributable to the additional rental income generated from the shop unit at Percival Street, Causeway Bay which was acquired by the Group in February 2015. Tenancy agreement was entered into thereon with a gross monthly rental of HK$0.9 million.

Besides, during the year, the Group had disposed of a number of properties at consideration totaling to approximately HK$1,175 million. Impact on rental income of the Group for the year by these investment properties is considered moderate. The major disposals during the year are listed in the following paragraphs.

In August 2015, the Group entered into a provisional sale and purchase agreement for disposal of a subsidiary which held a shop unit at Mong Kok Road, Mong Kok at a consideration of HK$158 million, details of which had been set out in the announcement of the Company dated 12 August 2015. The transaction was completed on 11 November 2015.

In November 2015, the Group entered into a sale and purchase agreement with Wai Yuen Tong Medicine Holdings Limited ("**WYTH**") for the disposal of the Group's two indirect wholly-owned subsidiaries which held two shops at Tsuen Wan and Sham Shui Po for an aggregate consideration of HK$70 million. The transaction was completed on 23 December 2015.

Further, in December 2015 the Group entered into an agreement for disposal of an indirect wholly-owned subsidiary of the Group which indirectly held Riviera Plaza, the shopping mall in Tsuen Wan, at a consideration of HK$823 million, details of which were set out in the announcement of the Company dated 1 December 2015. The transaction was completed on 15 February 2016. This property was acquired by the Group in July 2013 with an intention of holding as long-term investment property which was expected to strengthen the rental income stream of the Group. Since then the Group had devoted various effort and resources in designing the layout and marketing plan for the shopping mall. The Group intended to revamp the mall into a trendy neighborhood mall providing great variety of shopping choices and exciting experiences, hoping it would be a new iconic landmark in the district. To provide for the planned renovation works, the mall had been vacated since 2014 and during the current financial year, the Group was in the process of finalising the general building plan and applying for alteration and enhancement approval. Renovation works were expected to be carried out after then. The management of the Group is of the view that the disposal serves to realise the discounted long-term potential of the property at a time of poor general retail market sentiment and pessimistic economic expectations of the near future.

Furthermore, in November 2015, the Group had also acquired a number of car parking spaces in Shatin Centre at a consideration of HK$96.8 million with a view for trading gain. Some of which had been resold before the year end with a revenue contribution of HK$53.3 million. The remaining car parking spaces will be scheduled for resale and as well as for rental income.

As at 31 March 2016, within the Group's portfolio of investment properties, the Group held a lot of 48 second-hand residential properties of approximately HK$216.1 million (2015: 62 second-hand residential properties of approximately HK$305.7 million) previously acquired from the market, which was scheduled to be kept and held by the Group excluding Wang On Properties Limited ("**WOP**") and its subsidiaries (the "**Holding Group**") after the spin-off of WOP. As mentioned in the announced documents of the spin-off exercise, the Holding Group expected that it will not engage in any business activities that compete with those of WOP, the Holding Group will actively pursue the disposal of such portfolio of properties in the coming financial year. The Group had disposed of 2 out of the above mentioned 48 properties as of 8 June 2016, one of them was delivered in April 2016, while the other will be delivered in July 2016.

The management of the Group is of the view that the various disposals would benefit the Group by indirectly realising these long-term investments and strengthen the liquidity and overall financial position.

Spin-off of the property development and investment division

For the past years, although the Group also engaged in the business of management of Chinese wet markets and provision of finance, the major business of the Group had been property development and investment in Hong Kong, focusing on developing residential and commercial properties for sale and investing in commercial and industrial properties for capital appreciation. The major driving force of revenue increment of the Group had proven to be the sale of properties, and the recurring rental income from investment properties formed the basic support for the Group's general operation.

The sale of properties and related businesses of the Group is dependent on the economic conditions and particularly property market performance in Hong Kong. Acquiring the required development land reserve is of paramount importance for the Group to sustain its development, however in recent years, there emerged a number of small to medium sized developers, coupled with active participations by the developers from Mainland China, the competition for securing development land pieces has been fierce. Further, the soaring construction cost is also one of the commonly faced problems of local developers in Hong Kong.

Nevertheless, the Group has demonstrated its competitive edges in sales of properties and related businesses in recent years through its strong financial performance. The Group has successfully established "The Met." brand in boutique residential housing market, and also has a broad range of properties for development and investment. The Group has also had an established and defined model of property investment and development strategy which is responsive to market changes. Further, the management team of the property business is experienced, stable and understands market well.

Given the above background and considering that, among other things, the Group's residential and commercial property development and commercial and industrial property investment business (the "**Spin-Off Business**") has grown to a sufficient size to warrant a separate listing, and that the new listed entity will have its own separate management structure focusing on the Spin-Off Business whilst management of the remaining members of the Group will be able to focus on the other business engagements, the management of the Group had decided to Spin-Off Business to a separately listed company WOP and submitted application to The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 28 December 2015. The management of the Group believed that such arrangement will enable investors to better appraise the strategies, exposure, risks and returns of the separated groups. Investors will have the opportunity to invest in any or both the business models of the separated groups. At the same time, it unlocks the value of the individual groups and allow their market values to be better reflected and the separate businesses and financing platform are expected to enable the entities to raise funds more effectively at their own without reliance on each other. The clear delineation of business models also allow better and functional diversification of businesses. The Holding Group holds 75% equity interest in WOP upon the listing of WOP after spin-off and continue to benefit from the subsidiary's property related business model. The spin-off exercise was completed on 12 April 2016, and WOP became a separately listed company in the Stock Exchange. Details of the whole spin-off exercise were disclosed in the announcements of the Company dated 28 December 2015, 4 March 2016, 24 March 2016, 30 March 2016, 11 April 2016 and 12 April 2016, respectively.

Management and Sub-licensing of Chinese Wet Markets

For the year ended 31 March 2016, revenue recorded for this segment amounted to approximately HK$181.4 million (2015: approximately HK$173.6 million), representing an increase of approximately HK$7.8 million over last year. The improvement was mainly attributable to the increased licensing income arising from the renewal of license agreements with stall operators in a number of Chinese wet markets.

During the year, the Group managed substantially a portfolio of approximately 920 stalls in 12 "Allmart" brand of Chinese wet markets in Hong Kong with a total gross floor area of over 262,000 square feet. The Group secured management licence of three wet markets during the year, namely Lei Tung Estate in Ap Lei Chau, Shui Chuen O Estate in Sha Tin and Lee On Estate in Ma On Shan. The wet market in Lei Tung Estate has already completed renovation and is under operation. The wet market in Shui Chuen O Estate is currently under renovation and will officially commence operation in mid 2016. The wet market at Lee On Estate was an operating market acquired from the landlord. On 29 February 2016, the licence for the wet market at Fu Tung Estate in Tung Chung had expired and returned to the landlord.

The Group has continued its enhancement works in its managed Chinese wet markets as well as upgrading its management and improvement of the general environment. Besides, as operating cost continues to increase, the Group has devised various cost saving and efficiency enhancement exercises with a view to control cost and maximize profit.

In Mainland China, the Group continued to manage a portfolio of approximately 1,000 stalls in 17 Chinese wet markets with a total gross floor area of over 283,000 square feet under "Huimin" brand in various districts of Shenzhen, Guangdong Province. The operation in Mainland China has generated a stable income for the Group. As management and sub-licensing of Chinese wet markets will remain a major segment of business in the Holding Group, the Holding Group is committed to expand further in both in Hong Kong and Mainland China and is currently actively looking for other opportunities in this segment.

Provision of finance

The Group had designated provision of finance as an additional business line of the Group in the last financial year. This line of business had provided the Group the opportunities to better utilise its excess financial resources and earn a relatively higher return compared with deposits and securities investments. It also reflects the Group's strategy for business diversification.

During the year, the Group had further expanded this line of business and extended further credit facilities to individuals and other corporations. Revenue generated from this segment of business amounted to approximately HK$76.1 million (2015: approximately HK$82.3 million). Given the higher borrowing costs in neighboring areas and the expected and continuous tightening mortgage lending policy in Hong Kong, the Group expects this segment of business will have further room for expansion in the coming year. Provision of finance will remain as a segment of business in the Holding Group.

Investment in Pharmaceutical and Health Products Related Business

As at 31 March 2016, the Group held 22.08% interest in WYTH, a company listed on the Main Board of the Stock Exchange, which represents an increase of approximately 1.58% from 31 March 2015, following the rights issue of WYTH shares by WYTH completed on 19 May 2015. The Group had full acceptance of its provisional entitlement of shares applied for excess shares in the subject rights issue.

For the year ended 31 March 2016, WYTH recorded a turnover of approximately HK$825.3 million (2015: approximately HK$831.1 million) and profit attributable to equity holders of approximately HK$25.4 million (2015: approximately HK$121.0 million). The significant decrease in its results was mainly attributable to, among other things, the fair value losses on investment properties, decrease in gain from changes in fair value of equity investments of fair value through profit or loss, despite the increase in share of profits and losses of associates. The Group's share of profit of WYTH for the year ended 31 March 2016 amounted to approximately HK$31.7 million (2015: approximately HK$135.7 million), included a gain on bargain purchase from the acquisition of additional interest in WYTH amounted to approximately HK$26.3 million (2015: approximately HK$112.1 million).

A number of economic and political factors continued to shadow the general retail market in Hong Kong, coupled with an apparent shift of visitors' spending focus and amount by Mainland China customers in Hong Kong recently, it had exerted moderate hit on the performance of WYTH. For the sake of prudence, the Group had made a provision for impairment of its investment in WYTH amounted to approximately HK$19.8 million (2015: Nil). The Group is of the opinion that the effect would be temporary only and given the solid foundation and recognised quality and brand value of WYTH both locally and in the Greater China region, the Group is of the view that the business of WYTH should grow steadily thereafter, especially in the local market in China. The Group regards its investment in WYTH as long term and is confident that it will enhance the Group's shareholders' value in the long run.

Loan Facility Granted to China Agri-Products Exchange Limited ("CAP")

On 4 October 2014, the Group entered into a subscription agreement with CAP, pursuant to which the Group had subscribed up to a maximum principal amount of HK$200.0 million two-year 8.5% coupon interest bonds and HK$330.0 million five-year 10.0% coupon interest bonds to be issued by CAP (collectively "**CAP Bonds**"), details of which were set out in the Company's announcement and circular dated 4 October 2014 and 24 October 2014, respectively. As at 31 March 2016, the fair value of CAP Bonds held by the Group amounted to approximately HK$503.5 million (2015: approximately HK$465.7 million).

Besides, as at 31 March 2016, CAP was indebted to the Group in the principal amount of HK$70.0 million (2015: approximately HK$50.0 million) pursuant to the loan agreements entered into between the Group and CAP on 21 July 2015 and 17 August 2015.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2016, the Group's total assets less current liabilities were approximately HK$6,199.7 million (2015: approximately HK$6,013.1 million) and the current ratio from approximately 3.2 times as at 31 March 2015 to approximately 6.0 times as at 31 March 2016.

As at 31 March 2016, the Group had cash resources and short-term investments of approximately HK$1,631.0 million (2015: approximately HK$1,256.9 million). Aggregate borrowings as at 31 March 2016 amounted to approximately HK$2,208.8 million (2015: approximately HK$2,628.6 million). The gearing ratio was approximately 20.2% (2015: approximately 37.7%), calculated by reference to the Group's total bank and other borrowings net of cash and cash equivalents and the equity attributable to owners of the parent.

As at 31 March 2016, the Group's land and buildings, investment properties (including assets held for sale), properties under development and properties held for sale, with carrying value of approximately HK$60.1 million, HK$654.0 million, HK$2,910.5 million and Nil (2015: approximately HK$62.0 million, HK$1,516.7 million, HK$2,655.2 million and HK$359.1 million) were pledged to secure the Group's general banking facilities.

The Group's capital commitment as at 31 March 2016 amounted to approximately HK$127.5 million (2015: approximately HK$49.7 million). The Group had no significant contingent liabilities as at the end of the reporting year.

The Group strives to strengthen and improve its financial risk control on a continual basis and had consistently adopted a prudent approach in financial management. Financial resources and movements are under close monitor to ensure the Group's efficient and effective operation, as well as flexibility to respond to opportunities and uncertainties. The management of the Group is of the opinion that the Group's existing financial structure is healthy and related resources are sufficient to cater for the Group's operation needs in the foreseeable future.

FOREIGN EXCHANGE

The management of the Group is of the opinion that the Group has no material foreign exchange exposure. As at 31 March 2016, the Group held limited amount of foreign currency deposits, while all bank borrowings are denominated in Hong Kong dollars. The revenue of the Group, also being mostly denominated in Hong Kong dollar, matches the currency requirements of the Group's operating expenses. Therefore, the Group does not engage in any hedging activities.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2016, the Group had 198 (2015: 182) employees, of whom approximately 98.0% (2015: 98.4%) were located in Hong Kong and the rest were located in Mainland China. The Group remunerates its employees mainly based on industry practices and individual performance and experience. On top of the regular remuneration, discretionary bonus and share options may be granted to selected staff by reference to the Group's as well as the individual's performances. The Group had a defined scheme of remuneration and promotion review to accommodate the above purpose and review is normally carried out annually or biannually. Other forms of benefits such as medical and retirement benefits and structured training programs are also provided.

CORPORATE SOCIAL RESPONSIBILITY

While the Group endeavours to promote business development and strive for greater rewards for our stakeholders, we acknowledge our corporate social responsibility to share some burden in building the society where our business has been established and thrived. In the past years, the Group made charity donations to organisations included Yan Oi Tong, Hong Kong New Arrivals Services Foundation Limited, Live In Harmony Fund Limited and Chi Lin Nunnery and various non-government and not for profit organizations. In light of the ever greater disparity between rich and poor in Hong Kong society developed in recent years, people from the lower class face escalating pressure in making a living. Yearns of this group of people are not only on tangible resources and financial support, but also care and respect from the general public. The Group will continue to devote further resources and effort towards achieving the goal of a socially responsible business.

ENVIRONMENTAL MATTERS

The Group has taken measures to promote environmental-friendliness of the workplace by encouraging paper-recycling culture and energy-saving culture within our Group. The Group also participated in the BEAM Plus assessment scheme, a comprehensive environmental assessment scheme for buildings recognised by the Hong Kong Green Building Council, for the development of some of our properties, including The Met. Delight, the Ma Kam Street Project, the Hang Kwong Street Project and the Tai Po Project, by engaging a third-party consultancy company for the provision of services in respect of BEAM Plus Certification and other environmental assessments.

The Group also outsourced all of the construction-related work for our property development projects to independent construction companies. Our contractors in relation to our property development business are subject to various environmental laws and regulations, including those relating to waste disposal, water pollution control, air pollution control, drainage control and noise control. The Group will take every effort to ensure our contractors comply with all those requirements.

RELATIONSHIP WITH CUSTOMERS AND SUPPLIERS

The Group recognised enhancing and maintaining good relationships with suppliers and customers are essential for the Group's overall growth and development. The Group placed specific caution on selection quality suppliers and customers and encourages fair and open competition to foster long-term relationships with quality suppliers on the basis of mutual trust. The Group has kept good communications and shared business updates with them when appropriate.

POSSIBLE RISKS AND UNCERTAINTIES

The Group has reviewed the possible risks which may affect its businesses, financial condition, operations and prospects based on our risk management system and considered that the major risks and uncertainties that may affect the Group included (i) Hong Kong economic conditions which may directly affect the property market; (ii) availability of suitable land bank for future development; (iii) the continuous escalation of construction cost in Hong Kong in recent years (iv) business cycle for property under development may be influenced by a number of factors and the Group's revenue will be directly affected by the mix of properties available for sale and delivery; (v) all construction works were outsourced to independent third parties that they may fail to provide satisfactory services adhering to our quality and safety standards or within the timeline required by us and; (vi) fluctuations of fair value gain or loss incurred on financial assets and investment properties; (vii) credit risk and recoverability of provision of loans which may incur bad debts during the downturn of economy; and (viii) loss of management contracts for Chinese wet markets which may arise in light of severe competition with existing market players and entry of new participants into the market.

In response to the abovementioned possible risks, the Group had a series of internal control and risk management policies to cope with the possible risks and has serious scrutiny over the selection of quality customers and suppliers. The Group has formed various committees to develop and review strategies, policies and guidelines on risk control; which enable the Group to monitor and response to risk effectively and promptly. For possible risks, the Group also actively proposed solutions to lower the impact of the possible risks on the business of the Group.

PROSPECTS

With the cooling measures continued to be in force and a prolonged signs of slowdown of economies both locally in Hong Kong and worldwide, sentiment in the market have remained poor. Since the second half of 2015, property prices in Hong Kong has turned direction, resulting in a notable downward adjustments first time since 2009. Small to medium sized units have experienced the most significant slide. This has caused transactions at the start of 2016 to become active, though still at a relatively low level. Later, newly launched residential units like those supplied in Tseung Kwan O received favourable responses, and many of them are sold for at or even below the prevailing second hand market prices. This reflects that demand from new home buyers are still strong, especially those that are excluded from the cooling measure.

At recent months, the slide in property prices apparently ceased and data shows that it is becoming stable and even with some signs of upward trend. Besides, the number of residential units pending pre-sale consent had reached a high level this year, implying that supply of residential units in the coming years is expected to increase gradually. This may exert pressure on the recovery of property price level, and it also means competition amongst developers for buyers of residential units will become fiercer. Further, the ever increasing cost of construction remains a headache for developers and has lead to a constant squeeze on profit margin. While property related business will remain a major invested business of the Holding Group through its subsidiary operation of WOP, the Group will devote the greatest effort in arranging and completing the presale of the projects in progress, hoping to grasp the best timing of marketing while reducing risks and maintaining a high standard of quality. The Group expects the subtle and ever increasing population of Hong Kong and the strong home starter demand should continue to be the booster for the property market in Hong Kong and therefore the Group continues to keep its cautious optimistic view of the market.

The strategic spin-off of WOP has demonstrated the Group's commitment in the property development and investment industry. Coupled with corporate and product brand building strategies, the Group expect this arm of business will extend its desirable track record and continue to flourish. While the Holding Group itself will focus mainly on its Chinese wet market operation as well as provision of finance, it will also provide full support to its subsidiary operation. Besides, the Holding Group will take up an additional role of a strategic investment flagship, which will actively explore different market opportunities and develop or invest in new businesses whenever it generates attractive return to the Group and its shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year, the Company repurchased a total of 287 million shares of HK$0.01 each of the Company on the Stock Exchange. All the repurchased shares were subsequently cancelled by the Company.

Details of the share repurchases during the year are as follows:

Month of repurchase	**Number of share repurchased** *(in million)*	**Purchase price per share** **Highest** *HK$*	**Lowest** *HK$*	**Aggregate amount** *HK$ (in million)*
January 2016	156	0.121	0.100	16.2
February 2016	131	0.106	0.101	13.6
	287			29.8

The repurchase of the Company's shares during the year was effected by the Directors, pursuant to the mandate granted by shareholders at the last annual general meeting of the Company, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company. As at 31 March 2016 and up to the date of this announcement, the total number of shares of the Company in issue was 19,288,520,047 shares.

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with a strong emphasis on transparency, accountability, integrity and independence and enhancing the Company's competitiveness and operating efficiency, to ensure its sustainable development and to generate greater returns for the shareholders of the Company.

The Board has reviewed the corporate governance practices of the Company and is satisfied that the Company had applied the principals and complied with the code provisions set out in the Corporate Governance Code set out in Appendix 14 to the Listing Rules throughout the financial year ended 31 March 2016.

Further details of the Company's corporate governance practices are set out in the corporate governance report to be contained in the Company's 2016 annual report.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its code of conduct regarding the securities transactions by the directors of the Company on the terms no less exacting terms than the required standard set forth in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules. Having made specific enquiries of all directors, the Company confirmed that all directors had complied with the required standard set out in the Model Code throughout the financial year under review and no incident of non-compliance by the directors was noted by the Company during the year.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") with specific terms of reference (as amended from time to time) in accordance with the requirements of the Listing Rules. During the year, the Audit Committee met twice with the management and the external auditors to review and consider, among other things, the accounting principles and practices adopted by the Group, the financial report matters (including the review of consolidated interim results for the six-month ended 30 September 2015 and the consolidated final results for the year ended 31 March 2016), the statutory compliance, internal controls and risk management, continuing connected transaction(s) and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

The Audit Committee, comprising three independent non-executive directors, namely Mr. Siu Yim Kwan, Sidney, Mr. Wong Chun, Justein and Mr. Siu Kam Chau, has reviewed with the management the consolidated financial statements for the year ended 31 March 2016. Mr. Siu Yim Kwan, Sidney was elected as the chairman of the Audit Committee.

ANNUAL GENERAL MEETING

The 2016 annual general meeting of the shareholders of the Company will be held at Garden Rooms A to B, 2/F., New World Millennium Hong Kong Hotel of 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Tuesday, 9 August 2016 at 12:00 noon and the notice convening such meeting will be published and despatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

PUBLICATION OF FINAL RESULTS AND DESPATCH OF ANNUAL REPORT

This final results announcement is published on the websites of HKExnews (www.hkexnews.hk) and the Company (www.wangon.com). The 2016 annual report containing all the information required by the Listing Rules will be despatched to the Company's shareholders and available on the above websites in due course.

By Order of the Board
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Tang Ching Ho
Chairman

Hong Kong, 8 June 2016

As at the date of this announcement, the Board comprises three executive directors of the Company, namely Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Mr. Chan Chun Hong, Thomas, and four independent non-executive directors of the Company, namely Dr. Lee Peng Fei, Allen, Mr. Wong Chun, Justein, Mr. Siu Yim Kwan, Sidney and Mr. Siu Kam Chau.

* *For identification purpose only*