太陽國際資源有限公司
SUN INTERNATIONAL RESOURCES LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8029)

FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2016

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached other than companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market ("GEM") of the Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of posting and on the designed website of this Company at http://www.sun8029.com/.

RESULTS

The Board of Directors (the "Board") of Sun International Resources Limited (the "Company") hereby announces the audited consolidated results of the Company and its subsidiaries (collectively refer to as 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

	Notes	**2016** ***HK$***	2015 *HK$* (Restated)
Continuing operations			
Revenue	*4*	**121,138,764**	147,147,693
Direct costs		**(49,925,699)**	(44,964,600)
Gross profit		**71,213,065**	102,183,093
Other operating income	*6*	**4,581,572**	5,070,240
Administrative expenses		**(122,188,165)**	(188,617,885)
Finance costs	*7*	**(25,571,776)**	(26,611,751)
Impairment loss on goodwill	*10*	**(6,528,059)**	(173,985,077)
Impairment loss on other assets		**–**	(1,184,517)
Impairment loss on amount due from non-controlling shareholders of a subsidiary		**(9,360,000)**	–
Fair value gain on breakeven guarantee		**232,096**	–
Share-based payment expenses		**–**	(8,299,693)
Fair value change of biological assets, net		**(1,777,994)**	24,181,544
Share of losses of associates		**(35,653,059)**	(109,987,222)
Net loss on disposal of subsidiaries		**(91)**	(17,489,691)
Loss before taxation		**(125,052,411)**	(394,740,959)
Income tax expense	*8*	**(338,276)**	(1,182,165)
Loss for the year from continuing operations		**(125,390,687)**	(395,923,124)
Discontinued operations			
Loss for the year from discontinued operations, net of income tax		**(182,954)**	(7,936,008)
Loss for the year	*9*	**(125,573,641)**	(403,859,132)
Other comprehensive income/(loss):			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences on translating foreign operations		**30,274,868**	(35,770,074)
Total comprehensive loss for the year		**(95,298,773)**	(439,629,206)

	Notes	**2016**	2015
		HK$	*HK$*
			(Restated)
(Loss)/profit for the year attributable to:			
Owners of the Company			
– Continuing operations		**(115,512,441)**	(396,607,856)
– Discontinued operations		**(182,954)**	(31,297,441)
		(115,695,395)	(427,905,297)
Non-controlling interests			
– Continuing operations		**(9,878,246)**	684,732
– Discontinued operations		**–**	23,361,433
		(9,878,246)	24,046,165
		(125,573,641)	(403,859,132)
Total comprehensive (loss)/profit for the year attributable to:			
Owners of the Company		**(85,420,527)**	(461,426,698)
Non-controlling interests		**(9,878,246)**	21,797,492
		(95,298,773)	(439,629,206)
Loss per share (HK cents per share)	*11*		(Restated)
From continuing and discontinued operations			
– Basic and diluted		**(8.32)**	(30.75)
From continuing operations			
– Basic and diluted		**(8.30)**	(28.50)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2016

	Notes	2016 HK$	2015 HK$
Non-current assets			
Intangible assets		**500,000**	–
Goodwill	*10*	**53,037,756**	6,528,059
Property, plant and equipment		**58,462,325**	57,352,429
Other asset		**350,000**	–
Interests in associates		**130,170,323**	165,683,163
Biological assets – non-current portion		**64,781,786**	78,571,459
		307,302,190	308,135,110
Current assets			
Biological assets – current portion		**121,906,841**	127,801,912
Inventories		**175,640**	808,279
Loan receivable		**30,000,000**	–
Trade receivables	*13*	**28,111,690**	75,354,531
Advances to customers in margin financing		**18,173,006**	–
Prepayments, deposits and other receivables	*14*	**11,937,933**	10,533,642
Amounts due from non-controlling shareholders of a subsidiary		**–**	9,360,000
Amount due from a related company		**56,000**	–
Tax recoverables		**–**	7,260,098
Bank balances and cash		**105,525,721**	50,438,508
Cash held on behalf of customers		**171,968,670**	–
		487,855,501	281,556,970
Current liabilities			
Trade payables	*15*	**189,589,176**	8,464,665
Accruals and other payables	*16*	**28,079,016**	37,437,453
Deposits received and deferred income		**2,466,910**	5,103,482
Amounts due to related companies		**593,841**	–
Promissory note		**140,000,000**	140,000,000
Tax payables		**24,713**	–
		360,753,656	191,005,600
Net current assets		**127,101,845**	90,551,370
Total assets less current liabilities		**434,404,035**	398,686,480

	Notes	**2016**	2015
		HK$	*HK$*
Non-current liabilities			
Medium-term bonds		**248,000,000**	221,000,000
Promissory note		**104,016,328**	–
		352,016,328	221,000,000
Net assets		**82,387,707**	177,686,480
Capital and reserves			
Share capital		**55,656,000**	55,656,000
Reserves		**23,494,958**	108,915,485
Equity attributable to owners of the Company		**79,150,958**	164,571,485
Non-controlling interests		**3,236,749**	13,114,995
Total equity		**82,387,707**	177,686,480

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2016

	Attributable to owners of the Company									
	Share Capital	Share Premium	Capital Redemption Reserve	Merger Reserve	Share Options Reserve	Translation Reserve	(Accumulated losses)	Sub-total	Non-Controlling Interests	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
At 1 April 2014	55,656,000	775,075,169	254,600	369,866	38,254,919	(3,665,018)	(269,628,531)	596,317,005	(14,793,863)	581,523,142
Loss for the year	–	–	–	–	–	–	(427,905,297)	(427,905,297)	24,046,165	(403,859,132)
Other comprehensive loss:										
Currency translation differences on translating foreign operations	–	–	–	–	–	(33,521,401)	–	(33,521,401)	(2,248,673)	(35,770,074)
Total comprehensive loss for the year ended 31 March 2015	–	–	–	–	–	(33,521,401)	(427,905,297)	(461,426,698)	21,797,492	(439,629,206)
Transactions with owners:										
Dividend paid to non-controlling shareholders	–	–	–	–	–	–	–	–	(2,260,000)	(2,260,000)
Issuance of share options	–	–	–	–	8,299,693	–	–	8,299,693	–	8,299,693
Disposal of subsidiaries	–	–	–	–	–	21,381,485	–	21,381,485	8,371,366	29,752,851
Total transactions with owners of the Company	–	–	–	–	8,299,693	21,381,485	–	29,681,178	6,111,366	35,792,544
At 31 March 2015 and 1 April 2015	**55,656,000**	**775,075,169**	**254,600**	**369,866**	**46,554,612**	**(15,804,934)**	**(697,533,828)**	**164,571,485**	**13,114,995**	**177,686,480**
Loss for the year	**–**	**–**	**–**	**–**	**–**	**–**	**(115,695,395)**	**(115,695,395)**	**(9,878,246)**	**(125,573,641)**
Other comprehensive income:										
Currency translation differences on translating foreign operations	**–**	**–**	**–**	**–**	**–**	**30,274,868**	**–**	**30,274,868**	**–**	**30,274,868**
Total comprehensive loss for the year ended 31 March 2016	**–**	**–**	**–**	**–**	**–**	**30,274,868**	**(115,695,395)**	**(85,420,527)**	**(9,878,246)**	**(95,298,773)**
Transactions with owners:										
Transfer	**–**	**–**	**–**	**–**	**–**	**7,700,428**	**(7,700,428)**	**–**	**–**	**–**
Total transactions with owners of the Company	**–**	**–**	**–**	**–**	**–**	**7,700,428**	**(7,700,428)**	**–**	**–**	**–**
At 31 March 2016	**55,656,000**	**775,075,169**	**254,600**	**369,866**	**46,554,612**	**22,170,362**	**(820,929,651)**	**79,150,958**	**3,236,749**	**82,387,707**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 March 2016

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations ("Int") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention except for certain properties and financial instruments, which are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2015.

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 new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and revised HKFRSs issued but not yet effective

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

HKFRS 9	Financial Instruments[1]
HKFRS 14	Regulatory Deferral Accounts[2]
HKFRS 15	Revenue from Contracts with Customers[1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception[4]
Amendments to HKAS 1	Disclosure initiative[4]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[4]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[4]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[4]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[4]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
HKFRS16	Leases[3]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle[4]

[1] Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

[2] Effective for first annual HKFRS financial statements beginning on or after 1 January 2016, with earlier application permitted.

[3] Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

[4] Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.

[5] Effective for annual periods beginning on or after a date to be determined.

The Group has already commenced considering the potential impact of these new HKFRSs. Except as described below, the Group is not yet in a position to state whether these new HKFRSs would have a material impact on its financial performance and financial position.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements.

Key requirements of HKFRS 9 are described as follows:

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

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

- In relation to the impairment of financial assets, HKFRS 9 requires 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 new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities.

Regarding the Group's financial assets and financial liabilities, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

HKFRS 15 Revenue from Contracts with Customers

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

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, 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 satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. 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.

HKFS 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-to-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 option 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 leasee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, 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 Directors will assess the impact of the application of HKFRS 16. For the moment, it is not practicable to provide a reasonable estimate of the effect of the application of HKFRS 16 until the Group performs a detailed review.

3. GOING CONCERN CONVENTION

In preparing the consolidated financial statements, the Directors of the Company ("Directors") have given careful consideration to the liquidity of the Group as the Group has sustained losses for 4 consecutive years. In particular, the Group incurred a loss of HK$125,573,641 for the year ended 31 March 2016 and the gearing ratio increased to 597.19% at the end of the reporting period.

In the opinion of the Directors, the Group is able to operate as a going concern in the coming year after taking into consideration the following conditions and/or measures:

(a) Included in current liabilities, deposits received and deferred income as at 31 March 2016 amounting to HK$2,466,910 represented funds received from customers for the Equine Services and which are non-refundable;

(b) There was a net cash used in operating activities of approximately HK$33,305,000 for the year ended 31 March 2016 compared to a net cash used in operating activities of approximately HK$158,701,000 for the year ended 31 March 2015, which show a substantial improvement in cash flow control;

(c) The Group continues to implement measures to enhance cost controls in various operating expenses and to improve the Group's operating results and positive cash flow operation;

(d) In addition to the HK$100,000,000 revolving loan facility disclosed in note 18, the Group continues to study any possible additional external funding to improve the Group's liquidity;

(e) The Group communicates and negotiates with the promissory note holders for the further extension of repayment of the promissory notes.

The Directors are of the opinion that the Group will be able to have sufficient working capital to finance its operations and meet its financial obligations when they fall due in the foreseeable future. Accordingly, the Directors considered that it is appropriate to prepare the consolidated financial statements on a going concern basis.

4. REVENUE

Revenue represents the aggregate of amounts received and receivable from (i) services provided to customers; (ii) goods sold to customers; (iii) equine services income; (iv) commission from brokerage; (v) loan interest income and (vi) hotel services income and is analysed as follows:

	2016	2015
	HK$	*HK$*
Continuing operations		
Equine services income	**87,852,602**	99,382,152
Computer software solution and services income	**28,590,000**	47,765,541
Financial services income	**4,696,162**	–
	121,138,764	147,147,693
Discontinued operations		
Hotel services income	**–**	4,145,493
	121,138,764	151,293,186

5. SEGMENT INFORMATION

Segment information is presented by way in two segments formats: (i) on a primarily segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

Business segments

The Group's operating businesses are structured and managed separately, according to the nature of their operations and services provided. Each of the Group's business segments represents a strategic business unit that offers services which are subject to risks and returns that are different from those of the other segments.

For management purposes, the Group is organised into six business segments as follows:

Computer software solution and services	–	provision of computer hardware and software services
Equine services	–	provision of stallions services, trading and breeding of bloodstocks
Financial services	–	provision of securities and futures brokerage; provision of margin financing, asset management services and custodian services to customers and engaging in money lending business
Entertainment operations	–	production and distribution of motion pictures, model agency services and provision of other film related services (ceased in November 2015)
Mining services	–	provision of mining iron ores and minerals (ceased in December 2014)
Hotel services	–	provision of hotel operation and management services (ceased in July 2014)

The accounting policies of the operating segments are the same as those of the Group. Segment profit or loss do not include corporate finance costs and loss on disposal of subsidiaries. Segment assets include all current and non-current assets with the exception of other corporate assets. Segment liabilities include all current and non-current liabilities with the exception of other corporate liabilities.

Consolidated statement of profit or loss
For the year ended 31 March 2016

	Discontinued operations				Continuing operations					
	Hotel services *HK$*	Mining services *HK$*	Entertainment operations *HK$*	Subtotal *HK$*	Computer software solution and services *HK$*	Equine services *HK$*	Financial services *HK$*	Others and unallocated corporate *HK$*	Subtotal *HK$*	Total *HK$*
Revenue										
External sales	–	–	–	–	28,590,000	87,852,602	4,696,162	–	121,138,764	121,138,764
Loss before interest, tax and depreciation	–	–	(182,954)	(182,954)	(4,035,716)	(45,533,224)	(900,153)	(37,874,687)	(88,343,780)	(88,526,734)
Depreciation	–	–	–	–	(378,780)	(2,259,490)	–	(8,498,494)	(11,136,764)	(11,136,764)
Finance costs	–	–	–	–	–	(23,531,168)	–	–	(23,531,168)	(23,531,168)
Result										
Segment result	–	–	(182,954)	(182,954)	(4,414,496)	(71,323,882)	(900,153)	(46,373,181)	(123,011,712)	(123,194,666)
Loss on disposal of subsidiary										(91)
Finance costs										(2,040,608)
Loss before tax										(125,235,365)
Income tax expenses										(338,276)
Loss for the year										(125,573,641)

Consolidated statement of financial position
As at 31 March 2016

	Discontinued operations			Continuing operations				
	Hotel services *HK$*	Mining services *HK$*	Entertainment operations *HK$*	Computer software solution and services *HK$*	Equine services *HK$*	Financial services *HK$*	Others and unallocated corporate *HK$*	Total *HK$*
Assets								
Segment assets	–	–	–	53,726,200	334,748,989	321,167,478	85,515,024	795,157,691
Liabilities								
Segment liabilities	–	–	–	2,071,715	26,200,114	322,115,227	362,382,928	712,769,984

Consolidated statement of profit or loss
For the year ended 31 March 2015 (Restated)

	Discontinued operations				Continuing operations				
	Hotel services *HK$*	Mining services *HK$*	Entertainment operations *HK$*	Sub-total *HK$*	Computer software solution and services *HK$*	Equine services *HK$*	Other and unallocated corporate *HK$*	Sub-total *HK$*	Total *HK$*
Revenue									
External sales	4,145,493	–	–	4,145,493	47,765,541	99,382,152	–	147,147,693	151,293,186
Loss before interest, tax and depreciation	(42,470,574)	(34,498,037)	(550,320)	(77,518,931)	(162,166,756)	(90,856,184)	(15,458,506)	(268,481,446)	(346,000,377)
Depreciation	(298,782)	(369,161)	(343)	(668,286)	(309,165)	(1,633,139)	(9,964,558)	(11,906,862)	(12,575,148)
Finance costs	–	–	–	–	–	(20,222,798)	–	(20,222,798)	(20,222,798)
Result									
Segment result	(42,769,356)	(34,867,198)	(550,663)	(78,187,217)	(162,475,921)	(112,712,121)	(25,423,064)	(300,611,106)	(378,798,323)
Loss on disposal of subsidiaries									(17,489,691)
Finance costs									(6,388,953)
Loss before tax									(402,676,967)
Income tax expenses									(1,182,165)
Loss for the year									(403,859,132)

Consolidated statement of financial position
As at 31 March 2015 (Restated)

	Discontinued operations			Continuing operations			
	Hotel services *HK$*	Mining services *HK$*	Entertainment operations *HK$*	Computer software solution and services *HK$*	Equine services *HK$*	Other and unallocated corporate *HK$*	Total *HK$*
Assets							
Segment assets	–	–	7,090	84,084,787	301,272,761	204,327,442	589,692,080
Liabilities							
Segment liabilities	–	–	30,000	5,723,130	22,034,596	384,217,874	412,005,600

Geographical segments

The Group's operations are principally located in Hong Kong, Australia and Macau. The following table provides an analysis of the Group's revenue by geographical market:

	2016	2015
	HK$	*HK$*
Continuing operations		
Australia	**87,570,280**	99,382,152
Macau	**27,590,000**	47,765,541
Hong Kong	**5,978,484**	–
	121,138,764	147,147,693

The following table provides an analysis of the Group's non-current assets by reference to the geographical area in which they are located:

	2016	2015
	HK$	*HK$*
Continuing operations		
Hong Kong	**194,194,930**	181,097,506
Australia	**113,086,988**	126,977,370
Macau	**20,272**	60,234
	307,302,190	308,135,110

Revenue from major customers

During the year no customer (2015: Nil) contributed for 10% or more of Group's total revenue.

6. OTHER OPERATING INCOME

	2016	2015
	HK$	*HK$*
		(Restated)

Other operating income comprised of the followings:

Continuing operations		
Bank interest income	**549,887**	425,516
Gain on disposal of property, plant and equipment	**120,000**	–
Sundry income	**3,911,685**	4,644,724
	4,581,572	5,070,240

7. FINANCE COSTS

	2016	2015
	HK$	*HK$*
Finance costs comprised of the followings:		
Continuing operations		
Interest on medium-term bonds	**24,409,939**	17,865,452
Handling charges for interest-bearing borrowing	**324,000**	4,498,000
Interest on interest-bearing borrowing wholly repayable within five years	**–**	4,248,299
Effective interest expense on promissory note	**837,837**	–
	25,571,776	26,611,751

8. INCOME TAX EXPENSE

	2016	2015
	HK$	*HK$*
		(Restated)
Continuing operations		
The income tax expense comprises:		
Current tax:		
Hong Kong Profits Tax	**24,713**	–
Other than Hong Kong Profits Tax	**–**	328,182
Under provision in prior year	**313,563**	40,000
	338,276	368,182
Deferred tax:		
Reversal of temporary differences	**–**	813,983
Income tax expense for the year	**338,276**	1,182,165

Hong Kong Profits Tax is calculated at 16.5% (2015: 16.5%) on the estimated assessable profits for the year. Taxation arising in other jurisdictions is calculated on the estimated assessable profits for the year at the rates prevailing in the relevant jurisdictions.

The income tax expense for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss as follows:

	2016	2015
	HK$	*HK$*
		(Restated)
Continuing operations		
Loss before taxation	**(125,052,411)**	(394,740,959)
Tax credit at the Hong Kong Profits Tax rate of 16.5%	**(20,633,648)**	(65,132,258)
Tax effect of income not taxable for tax purposes	**(60,118)**	(26)
Tax effect of expenses not deductible for tax purposes	**9,241,660**	26,498,173
Under provision in prior years	**313,563**	40,000
Effect of different tax rate for subsidiaries operating in other jurisdictions	**6,407,537**	12,345,082
Tax effect of tax losses not recognised	**4,411,414**	26,666,189
Effect of unrecognised temporary differences	**657,868**	765,005
Income tax expense for the year	**338,276**	1,182,165

9. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/(crediting):

	2016	2015
	HK$	*HK$*
		(Restated)
Continuing operations		
Staff costs:		
Directors' emoluments	**4,076,063**	12,623,530
Salaries and other benefits	**29,173,317**	26,140,553
Retirement benefit scheme contributions (excluding directors)	**1,944,715**	2,268,091
Total employees benefit expenses	**35,194,095**	41,032,174
Auditors' remuneration	**1,290,000**	1,300,000
Depreciation on property, plant and equipment	**11,136,764**	11,906,862
Direct costs	**49,925,699**	44,964,600
Net foreign exchange difference	**(1,137,175)**	73,062,642
Loss on disposal of property, plant and equipment	**4,431**	113,417
Net loss on disposal of subsidiaries	**91**	17,489,691
Provision for bad debts	**1,052,125**	1,876,292

10. GOODWILL

	HK$
Cost	
At 1 April 2014	510,685,062
Disposal of subsidiaries	(79,300,476)
At 31 March 2015 and 1 April 2015	431,384,586
Additions	53,037,756
At 31 March 2016	484,422,342
Accumulated impairment losses	
At 1 April 2014	330,171,926
Impairment loss for the year	173,985,077
Written back on disposal of subsidiaries	(79,300,476)
At 31 March 2015 and 1 April 2015	424,856,527
Impairment loss for the year	6,528,059
At 31 March 2016	431,384,586
Carrying amount	
At 31 March 2016	53,037,756
At 31 March 2015	6,528,059

Impairment testing of goodwill

For the purpose of impairment testing, goodwill has been allocated to the following cash generating units ("CGU"). The carrying amounts of goodwill (net of accumulated impairment losses) as at the end of the reporting period are allocated as follows:

	2016	2015
	HK$	*HK$*
Computer software solution and services	**–**	6,528,059
Securities brokerage and asset management business	**52,537,757**	–
Money lender business	**499,999**	–
	53,037,756	6,528,059

Computer software solution and services

During the year ended 31 March 2016, the directors of the Company reassessed the recoverable amount of the CGU of computer software solution and services with reference to the valuation performed by Roma Appraisals Limited, independent qualified professional valuers and impairment loss of HK$6,528,059 (2015: HK$173,985,077) on goodwill associated with the CGU of computer software solution and services was identified. The recoverable amount of goodwill allocated to computer software solution and services segment was assessed by reference to value-in-use model which based on a six years cash flow projection approved by the directors of the Company with a zero growth rate (2015: zero). A discount rate of approximately 14.67% (2015: 14.41%) per annum was applied in the value-in-use model when assessing the recoverability of the goodwill. There are a number of assumptions and estimates involved in the preparation of the cash flow projection. Key assumptions included gross margin and discount rate which are determined by the management of the Group based on past performance and its expectation for market development. Gross margin is referred to budgeted gross margin and the discount rate used is pre-tax and reflect specific risks relating to the industry.

Securities brokerage and asset management business

During the year ended 31 March 2016, the directors of the Company reassessed the recoverable amount of the CGU of securities brokerage and asset management services with reference to the business valuation performed by Roma Appraisals Limited, independent qualified professional valuers and no impairment loss on goodwill associated with the CGU of securities brokerage and asset management business was identified. The recoverable amount of goodwill allocated to securities brokerage and asset management business was assessed by reference to value-in-use model which based on a six years cash flow projection (with terminal value) approved by the directors of the Company with a growth rate of 69.7% for the first year, 50% for the second year, 25% for the third year, 10% for the fourth and fifth year and 2.9% for afterward year in securities brokage services and 5% growth rate per annum in asset management services. A discount rate of approximately 16.4% per annum was applied in the value-in-use model when assessing the recoverability of the goodwill. There are a number of assumptions and estimates involved in the preparation of the cash flow projection. Key assumptions included gross revenue and discount rate which are determined by the management of the Group based on past performance and its expectation for market development. The Directors consider the revenue base is small in the year of acquisition for the securities brokerage business, and after taking into account of the synergy effect of additional capital to be injected and the current business connection of the Group, the Directors are confident in achieving the above high growth rates even the existence of current negative market sentiment. The Management believes that any reasonably possible change in assumptions would not cause the aggregate recoverable amount to fall below the aggregate carrying amount. Gross revenue is referred to budgeted gross revenue from customers and the discount rate used is pre-tax and reflect specific risks relating to the industry.

Money lending business

During the year ended 31 March 2016, the directors of the Company reassessed the recoverable amount of the CGU of money lending business with reference to the business valuation performed by Roma Appraisals Limited, independent qualified professional valuers and no impairment loss on goodwill associated with the CGU of money lending business was identified. The recoverable amount of goodwill allocated to money lending business was assessed by reference to value-in-use model which based on a six years cash flow projection (with terminal value) approved by the directors of the Company with a growth rate of 28% for the first year, 20% for the second year, 12% for the third year and then 10% afterward. A discount rate of approximately 12.22% per annum was applied in the value-in-use model when assessing the recoverability of the goodwill. There are a number of assumptions and estimates involved in the preparation of the cash flow projection. Key assumptions included gross revenue and discount rate which are determined by the management of the Group based on past performance and its expectation for market development. Management believes that any reasonably possible change in assumptions would not cause the aggregate recoverable amount to fall below the aggregate carrying amount. Gross revenue is referred to budgeted gross revenue and the discount rate used is pre-tax and reflect specific risks relating to the industry.

11. (LOSS) PER SHARE

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

	2016	2015
	HK$	*HK$*
		(Restated)
(Loss)		
(Loss) for the year attributable to owners of the Company for the purpose of basic and diluted (loss) per share		
– Continuing operations	**(115,512,441)**	(396,607,856)
– Discontinued operations	**(182,954)**	(31,297,441)
Continuing operations and discontinued operations	**(115,695,395)**	(427,905,297)

	2016	2015
		(Restated)
		(Note b)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss) per share	**1,391,400,000**	1,391,400,000
Effect of dilutive potential ordinary shares:		
Share options *(Note a)*	**–**	–
Weighted average number of ordinary shares for the purpose of diluted (loss) per share	**1,391,400,000**	1,391,400,000

Note a: The computation of diluted (loss) per share for the year ended 31 March 2016 does not assume the exercise of the Company's outstanding share options since their exercise would result in anti-dilutive effect on loss per share for the year.

The computation of diluted (loss) per share for the year ended 31 March 2015 does not assume the exercise of the Company's outstanding share options as their exercise price is higher than the average market price of the shares during the year.

Note b: The weighted average number of ordinary shares for the purpose of basic loss per shares for the year 2015 has been retrospectively adjusted to take into account the effect of the Company's share sub-division effective in July 2015.

12. DIVIDENDS

No final dividend was proposed by the Board for the year ended 31 March 2016 (2015: Nil).

13. TRADE RECEIVABLES

	2016	2015
	HK$	*HK$*
Trade receivables	**26,839,321**	77,830,791
Less: Provision for bad debts	**(2,678,721)**	(2,476,260)
	24,160,600	75,354,531
Accounts receivables from brokers, dealers and clearing house	**3,951,090**	–
	28,111,690	75,354,531

Accounts receivables from brokers, dealers and clearing house are due and settled on two business days after the trade date. Therefore, no ageing analysis is disclosed.

The following is an ageing analysis of trade receivables (excluding accounts receivables from brokers, dealers and clearing house) after provision for bad debts at the end of the reporting period:

	2016	2015
	HK$	*HK$*
Within 30 days	**7,630,522**	11,981,083
31–60 days	**4,731,424**	5,781,067
61–90 days	**3,053,730**	3,385,441
Over 90 days	**8,744,924**	54,206,940
	24,160,600	75,354,531

The average credit period on the trade receivables is 30–90 days. The carrying amounts of the trade receivables are mainly denominated in Hong Kong Dollars and Australian Dollars. The age of trade receivables which are past due but not impaired was as follows:

	2016	2015
	HK$	*HK$*
Within 30 days	**2,732,987**	6,201,940
31–60 days	**1,302,381**	2,660,000
61–90 days	**1,675,368**	2,660,000
Over 90 days	**3,034,188**	42,685,000
	8,744,924	54,206,940

HK$3,034,188 of trade receivables (2015: HK$42,685,000) was past due for over 90 days but not impaired for. These balances related to a number of customers that have good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

In determining the recoverability of trade receivables, the directors of the Company considered any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. Accordingly, the directors of the Company considered provision for impairment be made in respect of trade receivables to their recoverable amounts and believe that there is no further provision for impairment required in excess of the provision for bad debts.

The directors of the Company consider that the carrying amounts of the trade receivables and accounts receivables at the reporting date are approximated to their fair values.

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2016	2015
	HK$	*HK$*
Prepayments	**3,570,516**	8,890,819
Deposits	**2,939,745**	1,489,673
Other receivables	**5,427,672**	153,150
	11,937,933	10,533,642

The directors of the Company consider that the carrying amounts at the reporting date are approximated to their fair values.

15. TRADE PAYABLES

	2016	2015
	HK$	*HK$*
Trade payables	**14,410,761**	8,464,665
Accounts payables to clients and clearing house	**175,178,415**	–
	189,589,176	8,464,665

Majority of the accounts payables to clients are repayable on demand except where certain accounts payables to clients represent deposits received from clients for their securities trading activities under normal course of business. Only the excess amounts over the required margin deposits are repayable on demand.

Accounts payables to clients and clearing house include those payables placed in trust accounts with authorised institutions of HK$169,440,225 and amounts due to other futures dealers of HK$5,738,190. Amount due to clearing house of HK$550,759,789 has been offset against a corresponding amount due from the clearing house.

No ageing analysis for accounts payables to clients and clearing house is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of the business.

The Group has a practice to satisfy all the requests for payments immediately within the credit period.

Except for the accounts payables to clients which bear interest at 0.001% per annum as at 31 March 2016 (2015: Nil), all the trade payables are non-interest bearing.

The following is an ageing analysis of trade payables (excluding accounts payables to clients and clearing house) at the end of reporting period:

	2016 *HK$*	2015 *HK$*
Within 30 days	**11,939,885**	8,464,665
31–90 days	**1,967,641**	–
91–120 days	**282,976**	–
Over 180 days	**220,259**	–
	14,410,761	8,464,665

The average credit period on trade payables is 90 days (2015: 90 days). The Group has financial risk management policies in place to ensure all payables are settled within the credit period.

The directors of the Company consider that the carrying amounts at the reporting date are approximated to their fair values.

16. ACCRUALS AND OTHER PAYABLES

	2016 *HK$*	2015 *HK$*
Accruals	**11,585,789**	12,087,453
Other payables	**14,403,541**	22,216,356
Provision for long service payment and annual leave	**2,089,686**	3,133,644
	28,079,016	37,437,453

The directors of the Company consider that the carrying amounts at the reporting date are approximated to their fair values.

17. RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions and balances with related parties during the year.

(a) Balances with related parties

	2016 *HK$*	2015 *HK$* (Restated)
Included in Trade receivables		
Amount due from a related party which is controlled by Mr. Cheng Ting Kong	**592,410**	725,295

(b) Transactions with related parties

	2016	2015
	HK$	*HK$*
		(Restated)
Included in Administrative expenses Advertising expenses paid to a related company which is beneficially owned and controlled by Mr. Chau Cheok Wa	**280,000**	275,000
Included in Turnover Services fee income received from a related company which is beneficially owned and controlled by Mr. Cheng Ting Kong	**–**	40,000
Included in Turnover Bloodstock sales income received from a related company which is beneficially owned and controlled by Mr. Cheng Ting Kong	**3,212,508**	3,378,107
Included in Administrative expenses License fee paid to related companies which is beneficially owned and controlled by Mr. Chau Cheok Wa	**130,000**	–
Included in Administrative expenses Management service fee paid to related companies which is beneficially owned and controlled by Mr. Chau Cheok Wa	**370,000**	–
Sales proceeds received for disposal of a subsidiary to a former subsidiary's director, Mr. Tam Kit Keung	**–**	6,200,000

The transactions with related parties were entered into in the ordinary course of business between the Group and its related parties on terms as mutually agreed.

18. EVENTS AFTER REPORTING PERIOD

Subsequent to the end of reporting period on 16 May 2016, the Company has entered into a loan agreement with Mr. Cheng Tin Kong, an executive director of the Company and one of the beneficial owners of the substantial shareholder of the Company for a revolving loan facility amounting to HK$100,000,000. The loan facility is unsecured, carries an interest of 8% per annum and is available for 24 months from the date of agreement. As the revolving loan facility is not secured by any assets of the Group and is on normal commercial terms or better, the directors consider that it is fully exempted from shareholders' approval, annual review and all disclosure requirements pursuant to Rules 20.88 of GEM Listing Rules.

Other than the revolving loan facility disclosed above, the Group had no material event after the reporting period.

19. COMPARATIVE FIGURES

Certain comparative figures have been reclassified and restated to conform with the current year's presentation.

EXTRACT OF THE INDEPENDENT AUDITORS' REPORT

The following is an extract of the independent auditors' report on the Group's annual audited consolidated financial statements for the year ended 31 March 2016 which has included a modified opinion with emphasis of matter:

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of financial position of the Group as at 31 March 2016, and of the Group's financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention to Note 3 to the consolidated financial statements which indicate that the Group has sustained losses for 4 consecutive years. In particular, the Group incurred a loss of HK$125,573,641 for the year ended 31 March 2016 and the gearing ratio increased to 597.19% at the end of the reporting period. These conditions along with other matters as set forth in Note 3 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast doubt about the Group's ability to continue as a going concern.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance

The Group recorded a turnover of continuing operations of approximately HK$121,000,000 for the year ended 31 March 2016 which was decreased 18% compared to the turnover of approximately HK$147,000,000 in the last financial year. The revenue was mainly generated from the subsidiaries engaging in equine services business, information technology related business, securities services business and money lending business. The decrease in turnover was mainly due to the decrease in income generated from computer services business.

The direct costs of continuing operations were increased to approximately HK$50,000,000 from approximately HK$45,000,000 recorded during last year. The decrease of 11% in gross profit percentage was mainly due to the decrease in sales turnover in equine services business. The staff costs (excluding other benefits) were increased to approximately HK$33,975,000 (2015: HK$32,732,000). The increase was mainly due to acquisition of financial services business during the financial year.

Administrative expenses of continuing operations made a decrease of 35% to approximately HK$122,000,000 compared to HK$189,000,000 in 2015. The decrease was mainly attributable to equine services business during the financial year.

The net loss of the Group for the year ended 31 March 2016 was approximately HK$125,000,000 as compared with the net loss of approximately HK$404,000,000 of the last financial year. The reason of the loss was mainly due to share of losses of associates, impairment adjustments arising from change in fair value of goodwill and biological assets for the financial year.

Gearing Ratio

The gearing ratio, is calculated as borrowings divided by total equity, was approximately 597.19% (31 March 2015: 203.16%).

Capital Structure

Movements in share capital are reflected in statement of change of equity to the consolidated financial statements.

Employee Information

The total number of employees was 89 as at 31 March 2016 (2015: 94), and the total remuneration (excluding other benefits) for the year ended 31 March 2016 was approximately HK$33,975,000 (2015: HK$32,732,000). The Group's remuneration policy for senior executives is basically performance-linked. Staff benefits, including medical coverage and mandatory provident fund, are also provided to employees where appropriate. Discretionary bonus is linked to performance of the individual on case by case basis. The Group may offer share options to reward employees who make significant contributions, in order to retain key and crucial staff. The remuneration policy of the Group is reviewed and approved by the Remuneration Committee as well as by the Board.

Contingent Liabilities

As at 31 March 2016, the Group did not have significant contingent liabilities (2015: Nil).

Foreign Exchange Exposure

The income and expenditure of the Group are denominated in Hong Kong Dollars, Renminbi and Australian Dollars, the impact of foreign exchange exposure of the Group were considered minimal. Hence, no hedging or other arrangements to reduce the currency risk have been implemented.

Revenue

Revenue represents the net amounts received and receivable from services provided, goods sold, rental income and finance services by the Group to outside customers.

Dividend

No final dividend was proposed by the Directors for the year ended 31 March 2016 (2015: Nil).

Business Review

The East Asia and Pacific region, where most of the Group's operations are situated, achieved a lower than expected economic growth of approximately 6.5% in 2015. The economic development in the region last year was characterized by continuous growth in personal consumption expenditure, stagnated performance in industrial consumptions and high activities level in the financial sector. As the Group's operations covered a wide range of segment, the economic environment faced by the business units varied from one to another. Against this backdrop, the Group managed to reduce the loss attributable to shareholders to approximately HK$116,000,000 for the twelve months ended March 31, 2016 as compared to approximately HK$428,000,000 for the corresponding year ended March 31, 2015.

While the Group continued to implement cost controls and to improve operating results, the board of directors also identified opportunities in the financial services segment to diversify the business scope and broaden the revenue base of the Group. During the reporting period, the Group acquired a money lending business in November 2015 as well as completed the acquisition of Sun International Securities Limited ("SISL") and Sun International Asset Management Limited ("SIAML") in February 2016. SISL is principally engaged in the provision of type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 4 (advising on securities) regulated activities under the SFO in Hong Kong, while SIAML is principally engaged in the provision of type 4, (advising on securities), type 5 (advising on futures contracts) and type 9 (asset management) regulated activities under the SFO in Hong Kong.

Apart from the operating results, the board of directors was also mindful of the overall financial position of the Group. Whilst the Group has successfully extended the tenure of the HK$140,000,000 promissory note from March 31, 2016 to March 31, 2017 and secured new stand-by financing facilities, the board of directors would continue to closely monitor the financial position of the Group and the financial market environment in order to establish a more sustainable foundation for the Group.

Equine services

The growth in personal consumption expenditure in the region has created a favorable environment for the equine services segment. This was also reflected in the increase in participants from the Asia countries in the Australian equine industry. Building on its experience in Australia, the Group has expanded the operation to Europe and Singapore. As of the latest practical date, approximately 16% of the Group's stallions and bloodstocks are located outside Australia. To better reflect the Group's global presence, the Group has changed the name of the operating company from Eliza Park International Pty. Limited to Sun Stud Pty. Limited.

For the twelve months ended March 31, 2016, the revenue and operating loss of the equine service segment was approximately HK$88,000,000 (2015: HK$98,000,000) and approximately HK$71,000,000 (2015: HK$113,000,000) respectively. The income from horse breeding services remained stable as the number of stallions held by the Group was at similar level as last year. However, the results from rearing of bloodstocks for trading and racing were relatively volatile. This was partly due to the mixed racing performance of the off springs of our stallions and mares, including the off springs trained by other stables. Moreover, the performance of some colts and fillies acquired from third parties when the business was established in late 2013 were below expectation. The Group considered that the results can be improved by increasing the percentage of bloodstocks bred from its own mares and stallions because (i) the cost of bloodstock will be lower and (ii) the Group can have more influence on the training and development of the horses. As of the latest practical date, approximately 70% of the bloodstocks of the Group were bred from our own mares and stallions as compared to approximately 40% two years ago. This has laid a good foundation for enhancing the results from horse trading and racing. Besides improving the sales performance, the Group has implemented stringent cost controls and efficiency improvement measures. Overall speaking, the operating loss of the segment was reduced by 37% during the reported period.

Financial services

Whilst the financial systems in Asia have improved in the past decade, it is generally agreed that further deepening of banks and capital markets as well as broader access to households and firms are important to sustain growth and enhance equity. During the year ended March 31, 2016, the demand for financing by private enterprises in China remained high. The government had also implemented structural reforms in the capital markets in China to liberalize the market and to increase the linkage with the Hong Kong capital markets. The launch of Shanghai-Hong Kong Stock Connect program was a major milestone for such development.

The board of directors considered this a growth area to further broaden its revenue base and entered into a sales and purchase agreement to acquire the entire issued capital of SISL and SIAML in August 2016. The transaction was subsequently completed on 29 February 2016 signaling the Group's expansion into the finance segment. The actual aggregated loss before taxation and extraordinary items of SISL and SIAML for the year ended 31 March 2016 is approximately HK$18,600,000. Pursuant to the break-even guarantee provided by the vendor, the face value of promissory note issued by the Company in connection with the acquisition was reduced by the same amount. It was considered that the shortfall was mainly attributed to the poor performance of the stock markets in China and Hong Kong in late 2015 and early 2016. Despite such negative market sentiment, the board of directors is positive over the prospect of the business.

To supplement the product offerings of SISL and SIAML, the Group acquired a money lending business in November 2015 with primary focus on equity financing, equity mortgage and corporate finance. As at March 31, 2016, loan portfolio of the money lending business amounted to HK$30 million, representing approximately 4% of the total assets of the Group. The maturity of the loans is typically within one year and the average interest rate is in the range of 20% to 25% per annum.

Since taking over of the operations of SISL and SIAML on February 29, 2016, the Group has successfully secured several mandates for placement and other corporate finance activities. The operating results of SISL have significantly improved over the corresponding period last year. Furthermore, we have secured the services of several seasoned investment managers for SIAML. During the reporting period, the financial services segment achieved revenue and operating loss of approximately HK$2,000,000 and HK$1,000,000 respectively.

Computer software solution and services

The computer software solution and services segment recorded another year of disappointing results with sales revenue of approximately HK$29,000,000 (2015: HK$48,000,000), representing a decrease of 40% as compared to the corresponding period last year. As stated in the last year's report, the industry has been experiencing increased competition, changing needs of customers and rapid development in information technology. Whilst the Group had increased the investment in new products development with a view of regaining our competitiveness, the initiative has yet to deliver significant positive results. Accordingly, the business continued to suffer loss in market share leading to further deterioration in its market position.

An assessment of the fair value and recoverable amount of the business segment was carried out in a consistent manner as in the previous years. A provision for impairment of goodwill of approximately HK$6,528,000 (2015: HK$173,985,000) for the Computer Software Solution and Services segment has been made during this reporting year to fully written off all the goodwill associated with this segment.

Mining operation

The Group's exposure to the mining segment is via our 35% interests in Yuet Sing Group Limited which holds 100% interest of a mining operation in Hubei Province, the People's Republic of China. Due to the slow recovery of the industrial sector in China, the outlook of demand for commodities remained weak. As a result, the timing for commencement of the mining operation would likely be further delayed. Coupled with the expected increase in operating costs following enhanced safety and environmental standard in China as well as challenge in securing financing for the development of the mine, it is expected that the project would not bring contribution to the Group in the near future. Pursuant to the valuation performed by an independent valuer, Roma Appraisals Limited, on the mining right of the associate, the Group recorded impairment loss of approximately HK$36,000,000 (2015: HK$293,000,000) for its interests in Yuet Sing Group Limited. The carrying value of the Group's interest in Yuet Sing Group Limited has decreased to approximately HK$130,000,000 as at March 31, 2016 (2015: HK$166,000,000).

Financial Review

Liquidity, Financial Resources and Capital Structure

As at 31 March 2016, the Group had current assets of approximately HK$488,000,000 (2015: HK$282,000,000). The Group's current ratio, calculated on the basis of current assets of approximately HK$488,000,000 (2015: HK$282,000,000) over current liabilities of approximately HK$361,000,000 (2015: HK$191,000,000) was at level of approximately 1.35:1 (2015: 1.48:1). The bank balances as at 31 March 2016 was approximately HK$106,000,000 as compared to the balance of approximately HK$50,000,000 as at 31 March 2015. The Group had no interest-bearing borrowing (2015: Nil) at the end of the financial year.

The Group had issued a three-year 9.5% coupon and a five-year 7% coupon unlisted straight bonds with an aggregate principal amount of HK$212,000,000 and HK$36,000,000 respectively for the financial year (2015: HK$212,000,000 and HK$9,000,000). At the end of the financial year, the equity attributable to Company's equity owners amounting to approximately HK$79,000,000 (2015: HK$165,000,000), representing a decrease of approximately 52% compared to 2015.

With the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements.

Results Analysis

During the financial year ended 31 March 2016 (the "Financial Year"), we continued our business on different categories such as development of newly acquired financial services businesses including securities, assets management and money lending services, promotion of new on-line games and equine services including breeding service, pre-training and trading of thoroughbred horses, respectively.

Operation

Stable revenue will be expected from equine services, computer services and financial services businesses for the coming year as the Group will continue to take very effort on expanding potential market shares for the existing businesses.

The finance costs

The Group recorded a finance costs approximately HK$26,000,000 (2015: HK$27,000,000) for the year ended 31 March 2016, representing a decrease of HK$1,000,000 compared to that in the last financial year. The finance costs was mainly for medium-term bonds.

Medium-term Bonds

During the financial year, the Group had issued a three-year 9.5% coupon and a five-year 7% coupon unlisted straight bonds with an aggregate principal amount of HK$212,000,000 and HK$36,000,000 respectively to provide for general working capital.

Loss attributable to the equity holders of the Company

For the current financial year, the Group recorded a loss attributable to the equity holders of the Company of approximately HK$116,000,000 (2015: HK$428,000,000).

Prospects

The region's economic outlook remained modest with elevated risk of slowdown in economic growth as well as higher volatility in the financial markets. On the one hand, this is unlikely to have any material impact on the equine services business which will further solidify its foundation for growth. With its enhanced facilities and its global reach in trading activities of thoroughbred horses, the Group will continue to offer superior service to our clients and take our brand to the global stage. On the other hand, this presents both opportunities and challenges for the financial services segment. The continuous liberalization of the PRC financial market and its integration with the Hong Kong financial market would provide opportunities for the Group to offer more professional services to investors and small and medium sized enterprises in China. For example, it is envisaged that the Shenzhen-Hong Kong Stock Connect program will be launched within this fiscal year. However, the results of the Group's financial services segment would be heavily influenced by the performance of the stock markets in China and Hong Kong.

The Group would continue to use its best endeavor to improve the efficiency and effectiveness of the operation. Moreover, the board of directors would seek opportunities to establish strategic alliance to accelerate the growth of its businesses, to rebalance its business portfolio and to strengthen its financial position so as to create value for shareholders.

Risk Factors

Uncertainty on Horses Stud Farm

The services provided from a horse stud farm include processes on breeding, training, agistment and general upkeep which face different uncertainties including unexpected events regarding to the horses such as death, injuries, health problem, diseases and unfavourable weather which will affect directly the expected return and additional cost incurred in the stud farm.

Uncertainty on Market Trend of Sales

The market for sales of thoroughbred horses in Australia is mainly through regular seasonal auctions. Its selling price is uncertain and is highly affected by both the trend of global market as well as the reputation of the horses with different sire/dam and/or champion records.

Continuous expansion requires long term capital financing

The development of equine related services requires additional capital to finance these activities. These projects are often mid to long term nature, probably over 1 year. Therefore, stable source of long term financing with low cost of borrowing is critical to our future capital investment in the equine services business.

There is no assurance that we can obtain the stable source of long term capital with low cost.

Country Risk

The equine services business is mainly operated in Australia. Being one of the emerging markets, Australia's equine services definitely provide many potential opportunities to investors dedicating to equine industry. In the meantime, the uncertainties of their political, social and economic policies are considered to be relatively small.

There is no assurance that the current favorable policies remain unchanged in the near future. The future changes at the country level probably may have adverse effect to our business.

Uncertainty on Volatility of Stock Market

Global stock market is still faced with various uncertainties of different political and economic circumstances. The expected return on the services of the securities trading and assets management will be greatly influenced by the volatility of the stock market which tends to be highly unpredictable.

OUTLOOK AND DEVELOPMENT

The board of directors has always tried its best to improve the efficiency and effectiveness of the operation so as to enhance the group value.

Business Development

The board has been actively seeking opportunities to diversify the business scope and broaden the revenue base of the Group. In August 2013, the Group had completed a purchase of one of Australia's largest stud farms, Eliza Park, in offering its clientele a total range of thoroughbred related services, including breeding, rearing, sales, agistment, spelling, education, administration advice and training.

Future plans include the purchase of bloodstock from the global marketplace, which would then be raised and traded when they reached a certain age. The Group also seeks for the opportunity to establish a UK company as a stepping stone in expanding our worldwide trading activities of thoroughbred horses. In addition, we have completed in building new pre-training and racing facilities including an uphill, all-weather, undercover training track, along with the training infrastructure, for the purpose of enhancing the superior service to our clients for pre-training services. Sun Stud Pty. Limited (formerly known as Eliza Park International Pty. Limited) has every intention of living up to its name by taking its brand to the global stage.

Following the acquisition of SISL and SIAML in February 2016, the Group had successfully diversify the business segments into the financial services including provision of type 1 (dealing in securities), type 2 (dealing in future contracts), type 4 (advising on securities), type 5 (advising on future contracts) and type 9 (asset management) regulated activities under the SFO in Hong Kong. The Group has successfully secured several mandates for placement, services of several seasoned investment manager and other corporate finance activities. Furthermore, in November 2015, the Group had acquired a money lending business with principal activities in equity financing, equity mortgage and corporate finance.

In light of the above acquisitions, the Group is able to diversify its business segments by entering into the financial services segment so as to further enhance its revenue sources as well as to bring positive return to the Group.

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

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

SECURITIES TRANSACTIONS BY DIRECTORS

During the year ended 31 March 2016, the Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

Having made specific enquiry of all directors, all directors confirmed they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company.

BOARD PRACTICES AND PROCEDURES

The Company has complied with Rules 5.34 to 5.45 of the GEM Listing Rules concerning board practices and procedures throughout the year ended 31 March 2016.

PRE-EMPTIVE RIGHTS

There is no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to promoting high standards of corporate governance. The Directors of the Company believe that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding the shareholders' interests and the Group's assets.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code and Report") in Appendix 15 of the GEM Listing Rules. Throughout the year ended 31 March 2016 and up to the date of this announcement, to the best knowledge of the Board, the Company has complied with the code provisions set out in Appendix 15 of the GEM Listing Rules.

AUDIT COMMITTEE

The Company established an audit committee ("Audit Committee") on 29 November 2000 with written terms of reference in compliance with the GEM Listing Rules. During the year under review, the audit committee comprises three members, Mr. Tou Kin Chuen, Mr. Chan Tin Lup, Trevor and Mr. Wang Zhigang. All of them are independent non-executive Directors of the Company and Mr. Tou Kin Chuen was appointed as the Chairman of the Audit Committee.

The primary duties of the audit committee are to review and supervise the financial reporting process, risk management system and internal control systems of the Group so as to provide advice and comments thereon to the Board of Directors. Two audit committee meetings were held during the year.

The Group's annual results for the year ended 31 March 2016 have been reviewed by the audit committee, which is of the opinion that the preparation of such consolidated financial statements complies with applicable accounting standards, the GEM Listing Rules, and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The Company established a remuneration committee ("Remuneration Committee") on 18 March 2005. During the year under review, the Remuneration Committee comprised three members, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Wang Zhigang. All of them are independent non-executive Directors and Mr. Chan Tin Lup, Trevor was appointed as the Chairman of the Remuneration Committee.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Group's policy and structure in relation to the remuneration of Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

Detail of Directors' emoluments on a nominal basis are set out in note to the consolidated financial statements.

SCOPE OF WORK OF ANDES GLACIER CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, 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, Andes Glacier CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Andes Glacier CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Andes Glacier CPA Limited on the preliminary announcement.

PUBLICATION OF ANNUAL REPORT ON THE GEM WEBSITE

The annual report of the Company contains all the information required by the GEM Listing Rules will be published on the GEM website in due course.

By order of the Board
Sun International Resources Limited
Cheng Ting Kong
Chairman

Hong Kong, 17 June 2016

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Cheng Ting Kong, Ms. Cheng Mei Ching, Mr. Lui Man Wah and Mr. Luk Wai Keung and three independent non-executive Directors, namely, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Wang Zhigang.