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ANXIAN YUAN CHINA HOLDINGS LIMITED

安賢園中國控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0922)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2015**

ANNUAL RESULTS

The Board is pleased to announce the consolidated results of the Group for the Year together with the comparative figures for the year ended 31 March 2014 as follows:

* For identification purposes only

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2015

	<i>Notes</i>	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
REVENUE	6	97,396	157,284
Cost of sales		<u>(28,391)</u>	<u>(94,650)</u>
Gross profit		69,005	62,634
Other income and gains	6	34,066	8,657
Selling and distribution expenses		(9,276)	(18,044)
Administrative expenses		(46,956)	(35,431)
Finance costs		(2,453)	(6,882)
Share of loss of an associate		<u>(313)</u>	<u>–</u>
PROFIT BEFORE TAX	7	44,073	10,934
Income tax expense	8	<u>(5,937)</u>	<u>(4,932)</u>
PROFIT FOR THE YEAR		<u>38,136</u>	<u>6,002</u>
Attributable to:			
Owners of the parent		37,425	5,719
Non-controlling interests		<u>711</u>	<u>283</u>
		<u>38,136</u>	<u>6,002</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic (<i>HK cents</i>)		<u>0.57</u>	<u>0.09</u>
Diluted (<i>HK cents</i>)		<u>0.56</u>	<u>0.09</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*Year ended 31 March 2015*

	2015 HK\$'000	2014 HK\$'000 (Restated)
PROFIT FOR THE YEAR	<u>38,136</u>	<u>6,002</u>
OTHER COMPREHENSIVE INCOME		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>601</u>	<u>8,258</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<u>601</u>	<u>8,258</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>38,737</u>	<u>14,260</u>
Attributable to:		
Owners of the parent	38,020	13,843
Non-controlling interests	<u>717</u>	<u>417</u>
	<u>38,737</u>	<u>14,260</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

	<i>Notes</i>	31 March 2015 HK\$'000	31 March 2014 HK\$'000 (Restated)	1 April 2013 HK\$'000 (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment		17,927	6,667	6,984
Investment properties		1,230	1,556	1,850
Intangible assets	<i>10</i>	392,432	394,009	390,581
Investment in an associate		4,374	–	–
Available-for-sale investments		2,525	–	–
Prepayments	<i>14</i>	14,834	–	–
Cemetery assets	<i>11</i>	120,727	63,948	67,932
Total non-current assets		554,049	466,180	467,347
CURRENT ASSETS				
Inventories	<i>12</i>	144,707	118,320	151,891
Trade receivables	<i>13</i>	22,458	125,404	72,068
Prepayments, deposits and other receivables	<i>14</i>	24,415	25,475	46,514
Pledged deposits		20,073	21,436	37,148
Cash and cash equivalents		81,506	10,703	17,200
Total current assets		293,159	301,338	324,821
CURRENT LIABILITIES				
Trade payables	<i>15</i>	15,880	2,130	22,451
Other payables and accruals		7,718	45,053	29,455
Deferred income	<i>16</i>	2,271	2,140	1,601
Interest-bearing bank borrowings		116,666	102,137	133,735
Amount due to a director		–	6,500	–
Amount due to a non-controlling shareholder		1,171	1,144	1,123
Tax payable		29,541	34,201	32,494
Total current liabilities		173,247	193,305	220,859
NET CURRENT ASSETS		119,912	108,033	103,962
TOTAL ASSETS LESS CURRENT LIABILITIES		673,961	574,213	571,309

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 March 2015

	<i>Notes</i>	31 March 2015 HK\$'000	31 March 2014 HK\$'000 (Restated)	1 April 2013 HK\$'000 (Restated)
NON-CURRENT LIABILITIES				
Promissory notes	17	–	12,074	30,144
Interest-bearing bank borrowings		8,837	–	–
Deferred income	16	13,090	14,062	9,952
Deferred tax liabilities		99,914	97,214	95,871
		<hr/>	<hr/>	<hr/>
Total non-current liabilities		121,841	123,350	135,967
		<hr/>	<hr/>	<hr/>
Net assets		552,120	450,863	435,342
		<hr/>	<hr/>	<hr/>
EQUITY				
Equity attributable to owners of the parent				
Share capital		529,162	444,062	312,062
Reserves		14,043	(1,397)	116,760
		<hr/>	<hr/>	<hr/>
		543,205	442,665	428,822
		<hr/>	<hr/>	<hr/>
Non-controlling interests		8,915	8,198	6,520
		<hr/>	<hr/>	<hr/>
Total equity		552,120	450,863	435,342
		<hr/>	<hr/>	<hr/>

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2015

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRSs issued by HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance, which because the Company has not early adopted the revised Listing Rules issued by the Stock Exchange, as those of the predecessor Companies Ordinance (Cap. 32). They have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars 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 2015. 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 below. 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 and new interpretation for the first time for the current year's financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	<i>Investment Entities</i>
Amendments to HKAS 32	<i>Offsetting Financial Assets and Financial Liabilities</i>
Amendments to HKAS 36	<i>Recoverable Amount Disclosures for Non-Financial Assets</i>
Amendments to HKAS 39	<i>Novation of Derivatives and Continuation of Hedge Accounting</i>
HK(IFRIC)-Int 21	<i>Levies</i>
Amendment to HKFRS 2 included in <i>Annual Improvements 2010-2012 Cycle</i>	<i>Definition of Vesting Condition¹</i>
Amendment to HKFRS 3 included in <i>Annual Improvements 2010-2012 Cycle</i>	<i>Accounting for Contingent Consideration in a Business Combination¹</i>
Amendment to HKFRS 13 included in <i>Annual Improvements 2010-2012 Cycle</i>	<i>Short-term Receivables and Payables</i>
Amendment to HKFRS 1 included in <i>Annual Improvements 2011-2013 Cycle</i>	<i>Meaning of Effective HKFRSs</i>

¹ *Effective from 1 July 2014*

Except for the amendment to HKFRS 1 which is only relevant to an entity's first HKFRS financial statements, the nature and the impact of each amendment and interpretation is described below:

- (a) Amendments to HKFRS 10 include a definition of an investment entity and provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. Investment entities are required to account for subsidiaries at fair value through profit or loss rather than consolidate them. Consequential amendments were made to HKFRS 12 and HKAS 27 (2011). The amendments to HKFRS 12 also set out the disclosure requirements for investment entities. The amendments have had no impact on the Group as the Company does not qualify as an investment entity as defined in HKFRS 10.
- (b) The HKAS 32 Amendments clarify the meaning of "currently has a legally enforceable right to set off" for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in HKAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments have had no impact on the Group as the Group does not have any offsetting arrangement.

- (c) The HKAS 36 Amendments remove the unintended disclosure requirement made by HKFRS 13 on the recoverable amount of a cash-generating unit which is not impaired. In addition, the amendments require the disclosure of the recoverable amounts for the assets or cash-generating units for which an impairment loss has been recognised or reversed during the reporting period, and expand the disclosure requirements regarding the fair value measurement for these assets or units if their recoverable amounts are based on fair value less costs of disposal. The amendments have had no impact on the financial position or performance of the Group.
- (d) The HKAS 39 Amendments provide an exception to the requirement of discontinuing hedge accounting in situations where over-the-counter derivatives designated in hedging relationships are directly or indirectly, novated to a central counterparty as a consequence of laws or regulations, or the introduction of laws or regulations. For continuance of hedge accounting under this exception, all of the following criteria must be met: (i) the novations must arise as a consequence of laws or regulations, or the introduction of laws or regulations; (ii) the parties to the hedging instrument agree that one or more clearing counterparties replace their original counterparty to become the new counterparty to each of the parties; and (iii) the novations do not result in changes to the terms of the original derivative other than changes directly attributable to the change in counterparty to achieve clearing. The amendments have had no impact on the Group as the Group has not novated any derivatives during the current and prior years.
- (e) HK(IFRIC)-Int 21 clarifies that an entity recognises a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognised before the specified minimum threshold is reached. The interpretation has had no impact on the Group as the Group applied, in prior years, the recognition principles under HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* which for the levies incurred by the Group are consistent with the requirements of HK(IFRIC)-Int 21.
- (f) The HKFRS 2 Amendment clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including (i) a performance condition must contain a service condition; (ii) a performance target must be met while the counterparty is rendering service; (iii) a performance target may relate to the operations or activities of an entity, or to those of another entity in the same group; (iv) a performance condition may be a market or non-market condition; and (v) if the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied. The amendment has had no impact on the Group.
- (g) The HKFRS 3 Amendment clarifies that contingent consideration arrangements arising from a business combination that are not classified as equity should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of HKFRS 9 or HKAS 39. The amendment has had no impact on the Group.
- (h) The HKFRS 13 Amendment clarifies that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. The amendment has had no impact on the Group.

3. NEW AND REVISED HKFRSs AND NEW DISCLOSURE REQUIREMENTS UNDER THE HONG KONG COMPANIES ORDINANCE NOT YET ADOPTED

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	<i>Financial Instruments</i> ⁴
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ²
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i> ²
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i> ²
HKFRS 14	<i>Regulatory Deferral Accounts</i> ⁵
HKFRS 15	<i>Revenue from Contracts with Customers</i> ³
Amendments to HKAS 1	<i>Disclosure Initiative</i> ²
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> ²
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i> ²
Amendments to HKAS 19	<i>Defined Benefit Plans: Employee Contributions</i> ¹
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i> ²
<i>Annual Improvements 2010-2012 Cycle</i>	Amendments to a number of HKFRSs ¹
<i>Annual Improvements 2011-2013 Cycle</i>	Amendments to a number of HKFRSs ¹
<i>Annual Improvements 2012-2014 Cycle</i>	Amendments to a number of HKFRSs ²

¹ Effective for annual periods beginning on or after 1 July 2014

² Effective for annual periods beginning on or after 1 January 2016

³ Effective for annual periods beginning on or after 1 January 2017

⁴ Effective for annual periods beginning on or after 1 January 2018

⁵ 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

In addition, the Companies Ordinance (Cap. 622) will affect the presentation and disclosure of certain information in the consolidated financial statements for the year ending 31 March 2016. The Group is in the process of making assessment of the impact of these changes.

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 expects that the adoption of HKFRS 9 will have an impact on the classification and measurement of the Group's financial assets. Further information about the impact will be available nearer the implementation date 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 Group expects to adopt the amendments from 1 April 2016.

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 that will apply to 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. The Group expects to adopt HKFRS 15 on 1 April 2017 and is currently assessing the impact of HKFRS 15 upon adoption.

Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements in five areas, including materiality, disaggregation and subtotals, notes structure, disclosure of accounting policies and presentation of items of other comprehensive income arising from equity accounted investments. The amendments further encourage entities to apply professional judgement in determining what information to disclose and how to structure the disclosure in the financial statements. The Group expects to adopt the amendments from 1 April 2016.

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.

The *Annual Improvements to HKFRSs 2010-2012 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Except for those described in note 2.2, the Group expects to adopt the amendments from 1 April 2015. None of the amendments are expected to have a significant financial impact on the Group. Details of the amendment most applicable to the Group 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.

4. PRIOR YEAR ADJUSTMENTS

In preparing the consolidated financial statements for the year ended 31 March 2015, the Group identified following two prior year adjustments and made some corrections and accounting policy changes in the presentation and disclosures of certain transactions and balances in the previously issued consolidated financial statements for the year ended 31 March 2014.

Those corrections made included:

- (i) Recognition of the nominal amount of management fees included in the sales of tombs as deferred income and credit to revenue on the straight-line method over a period of ten years (*note 16*);
- (ii) In order to better comply with the accounting policy adopted in the industry practice, the directors of the Company are of the opinion that upon commencement of development of an area within the cemetery, the proportionate cemetery assets for public facilities are transferred to inventories (*note 11*).

Consequently, the Company's consolidated statement of financial position as at 31 March 2014 and 31 March 2013 and the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended and certain explanatory notes have been restated to reflect these corrections.

Impact on the consolidated statement of comprehensive income for the year ended 31 March 2014:

	The Group as previously reported HK\$'000	Prior year adjustments HK\$'000	The Group as restated HK\$'000
Increase/(decrease)			
Exchange differences on translation of foreign operations	8,328	(70)	8,258
Other comprehensive income for the year	8,328	(70)	8,258
Attributable to:			
Owners of the parent	13,913	(70)	13,843
Non-controlling interests	417	–	417

The directors considered that the impact of above prior year adjustments on earnings per share is immaterial.

Impact on the consolidated statement of financial position as at 31 March 2014:

	The Group as previously reported HK\$'000	Reclassification adjustments** HK\$'000	Other prior year adjustments HK\$'000	The Group as restated HK\$'000
Increase/(decrease)				
Other payables, accruals, deposits received and receipts in advance	46,602	(46,602)	–	–
Other payables and accruals	–	45,053	–	45,053
Deferred income – current	–	1,549	591	2,140
Receipts in advance	11,431	(11,431)	–	–
Deferred income – Non-current	–	11,431	2,631	14,062
Deferred expenditure	71,150	(71,150)	–	–
Cemetery assets	–	71,150	(7,202)	63,948
Development and formation costs	105,550	(105,550)	–	–
Inventories	8,963	105,550	3,807	118,320
Deferred tax liabilities	98,792	–	(1,578)	97,214
Accumulated losses	359,801	–	4,483	364,284
Non-controlling interests	8,299	–	(101)	8,198
Exchange fluctuation reserve	30,658	–	(455)	30,203

Impact on the consolidated statement of financial position as at 31 March 2013:

	The Group as previously reported HK\$'000	Reclassification adjustments** HK\$'000	Other prior year adjustments HK\$'000	The Group as restated HK\$'000
Increase/(decrease)				
Other payables, accruals, deposits received and receipts in advance	30,441	(30,441)	–	–
Other payables and accruals	–	29,455	–	29,455
Deferred income – current	–	986	615	1,601
Receipts in advance	7,415	(7,415)	–	–
Deferred income – Non-current	–	7,415	2,537	9,952
Deferred expenditure	74,477	(74,477)	–	–
Cemetery assets	–	74,477	(6,545)	67,932
Development and formation costs	140,758	(140,758)	–	–
Inventories	7,983	140,758	3,150	151,891
Deferred tax liabilities	97,449	–	(1,578)	95,871
Accumulated losses	365,710	–	4,483	370,193
Non-controlling interests	6,621	–	(101)	6,520
Exchange fluctuation reserve	22,464	–	(385)	22,079

** Certain comparative figures have been reclassified to conform with the current year's presentation of the financial statements.

5. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment which is the cemetery business. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) *Revenue from external customers*

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Mainland China	<u>97,396</u>	<u>157,284</u>

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

(b) *Non-current assets*

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Hong Kong	869	723
Mainland China	<u>553,180</u>	<u>465,457</u>
	<u>554,049</u>	<u>466,180</u>

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

Information about major customers

No revenue from a single customer accounted for 10% or more of the Group's revenue during the Year.

During the year ended 31 March 2014, there were two single customers of which the revenue individually accounted for 10% or more of the Group's revenue and the amount of revenue of them were HK\$63,153,000 and HK\$16,421,000, respectively.

6. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of products sold, after allowances for returns and trade discounts; and the value of services rendered during the Year.

An analysis of revenue, other income and gains is as follows:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Revenue		
Sales of tombs and niches	93,240	156,260
Management fee income	2,223	1,024
Burial service	1,647	–
Sales of funeral suppliers	286	–
	<u>97,396</u>	<u>157,284</u>
Other income and gains		
Reversal of business tax over accrued in previous years	32,770	–
Sundry income	613	14
Gain on disposal of items of property, plant and equipment	378	3
Gain on bargain purchase arising from business combination (<i>note 19</i>)	213	–
Bank interest income	92	1,323
Reversal of impairment loss on other receivables (<i>note 14</i>)	–	7,317
	<u>34,066</u>	<u>8,657</u>

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i> (Restated)
Cost of inventories sold	23,408	86,681
Cost of services provided	299	–
Employee benefit expense (excluding directors' and chief executive's remuneration:		
Wages and salaries	7,976	1,548
Amortisation of intangible assets (<i>note 10</i>)*	2,053	3,728
Amortisation of cemetery assets (<i>note 11</i>)*	2,631	4,241
Auditors' remuneration	884	580
Depreciation		
– Property, plant and equipment	2,834	2,279
– Investment properties	328	327
Foreign exchange differences, net	30	3
Minimum lease payments under operating leases	<u>2,950</u>	<u>2,520</u>

* The amortisation of intangible assets and cemetery assets for the year are included in “cost of sales” in the consolidated statement of profit or loss.

8. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of Bermuda, the Company is not subject to any income tax in that jurisdiction.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the Year.

Provision for Mainland China current income tax is based on the statutory rate of 25% (2014: 25%) of the assessable profits of the PRC subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law.

The major components of income tax expense are as follows:

	2015 HK\$'000	2014 <i>HK\$'000</i>
Current tax		
Income tax in the PRC for the year	13,815	5,334
Overprovision in prior years	(10,461)	–
Deferred tax	2,583	(402)
	<hr/> 5,937	<hr/> 4,932
Total tax charge for the year	<hr/> 5,937	<hr/> 4,932

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	2015 HK\$'000	2014 <i>HK\$'000</i>
Profit before tax	44,073	10,934
Tax at the statutory tax rate of 25%	11,018	2,733
Effect of withholding tax on distributable profit of the Group's PRC subsidiaries	1,371	652
Tax effect of different taxation rates in other tax jurisdictions	1,026	1,090
Income not subject to tax	(70)	(1,207)
Expenses not deductible for tax	873	653
Tax losses not recognised	2,180	1,011
Adjustment in respect of overprovision	(10,461)	–
	<hr/> 5,937	<hr/> 4,932
Total tax charge recognised	<hr/> 5,937	<hr/> 4,932

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

The calculation of the basic earnings per share amount 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 6,581,283,000 (2014: 6,420,623,000) in issue during the Year.

The calculation of the diluted earnings per share amount is based on the profit for the Year attributable to ordinary equity holders of the parent, adjusted to reflect the interest on the convertible bonds, where applicable (see below). 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 or conversion of all dilutive potential ordinary shares into ordinary shares.

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

	2015 HK\$'000	2014 <i>HK\$'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	<u>37,425</u>	<u>5,719</u>
	Number of shares 2015 ('000)	Number of shares 2014 ('000)
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	6,581,283	6,420,623
Effect of dilution – weighted average number of ordinary shares: Share options	<u>72,540</u>	<u>65,638</u>
	<u>6,653,823</u>	<u>6,486,261</u>

10. INTANGIBLE ASSETS

Group

HK\$'000

Cost:

At 1 April 2013	398,649
Exchange realignment	<u>7,298</u>

At 31 March 2014 and 1 April 2014	405,947
Exchange realignment	<u>492</u>

At 31 March 2015	<u>406,439</u>
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Accumulated amortisation:

At 1 April 2013	(8,068)
Charge for the year	(3,728)
Exchange realignment	<u>(142)</u>

At 31 March 2014 and 1 April 2014	(11,938)
Charge for the year	(2,053)
Exchange realignment	<u>(16)</u>

At 31 March 2015	<u>(14,007)</u>
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Net carrying amount:

At 31 March 2014	<u>394,009</u>
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At 31 March 2015	<u>392,432</u>
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Intangible assets represented the cemetery licence, which was acquired by business combination of a subsidiary, Zhejiang Anxian Yuan, in the year of 2010.

11. CEMETERY ASSETS

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i> (Restated)
At 1 April		
Cost	84,353	84,056
Accumulated amortisation	<u>(20,405)</u>	<u>(16,124)</u>
Net carrying amount	<u>63,948</u>	<u>67,932</u>
During the year		
Opening net carrying amount	63,948	67,932
Additions	72,888	–
Transfer to inventories	(13,565)	(966)
Amortisation	(2,631)	(4,241)
Exchange realignment	<u>87</u>	<u>1,223</u>
Closing net carrying amount	<u>120,727</u>	<u>63,948</u>
At 31 March		
Cost	142,344	84,353
Accumulated amortisation	<u>(21,617)</u>	<u>(20,405)</u>
Net carrying amount	<u>120,727</u>	<u>63,948</u>

Cemetery assets mainly represent the construction cost of public facilities in the cemetery. Amortisation for cemetery assets is provided on a straight-line basis over their useful lives, which are 20 years for tree plantation and 40 years for landscape and roads.

Upon commencement of development of an area within the cemetery, the proportionate cemetery assets are transferred to inventories.

12. INVENTORIES

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i> (Restated)
Inventories		
– Tombs	<u>144,707</u>	<u>118,320</u>

As at 31 March 2015, inventories of approximately HK\$121,330,000 (2014: HK\$95,645,000) are expected to be recovered more than one year.

13. TRADE RECEIVABLES

	2015 HK\$'000	2014 <i>HK\$'000</i>
Trade receivables	22,458	125,404

The Group's trading terms with its customers are mainly on credit except for certain new customers where payment in advance is required. The average trade credit period ranges from 30 to 365 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly and actively monitored by senior management to minimise credit risk.

Trade receivables are unsecured and non-interest-bearing.

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

	2015 HK\$'000	2014 <i>HK\$'000</i>
Within 60 days	–	77,236
91 to 120 days	–	–
Over 365 days	22,458	48,168
	22,458	125,404

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

	2015 HK\$'000	2014 <i>HK\$'000</i>
Neither past due nor impaired	–	77,236
31 to 365 days past due	–	–
Over 365 days past due	22,458	48,168
	22,458	125,404

As at 31 March 2015, trade receivables of HK\$22,458,000 (2014: HK\$68,661,000) related to a customer with good repayment history. No balance related to a new customer with repayment schedule (2014: HK\$56,743,000). Management believes that no impairment allowance is necessary in respect of these balances as the balances are still considered to be fully recoverable. The Group did not hold any collateral in respect of these balances.

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Prepayments	38,114	19,203	–	–
Deposits and other receivables	75,602	80,739	337	260
	113,716	99,942	337	260
<i>Less: Provision for impairment loss</i>	74,467	74,467	–	–
	39,249	25,475	337	260
			2015	2014
			HK\$'000	HK\$'000
Prepayments:				
Analysed into:				
Current			23,280	19,203
Non-current			14,834	–
			38,114	19,203

The Group did not hold any collateral in respect of these balances.

Except for those amounts with provision for impairment as above, the directors consider that the fair values of deposits and other receivables which are expected to be recovered within one year are not materially different from their carrying amounts because of the short maturity periods on their inception.

All deposits and other receivables that are neither individually nor collectively considered to be impaired are neither past due nor impaired and are due from counterparties for whom there was no recent history of default. Management considers that deposits and other receivables that were neither past due nor impaired for each of the reporting dates are of good credit quality.

Movements in the provision for impairment loss on other receivables are as follows:

	Group		Company	
	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April	74,467	81,784	–	7,317
Reversal of provision for impairment loss	–	(7,317)	–	(7,317)
At 31 March	74,467	74,467	–	–

15. TRADE PAYABLES

	Group	
	2015	2014
	HK\$'000	HK\$'000
Trade payables	15,880	2,130

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

	2015	2014
	HK\$'000	HK\$'000
Within 90 days	455	1,531
91 to 180 days	15,425	–
Over 1 year	–	599
	15,880	2,130

The trade payables are non-interest-bearing and are normally settled from 90 days to 3 years.

16. DEFERRED INCOME

	HK\$'000	
At 1 April 2013 (Restated)		11,553
Additions during the year		5,520
Released to profit or loss		(1,024)
Exchange realignment		153
At 31 March 2014 and 1 April 2014 (Restated)		16,202
Additions during the year		1,368
Released to profit or loss		(2,223)
Exchange realignment		14
At 31 March 2015		15,361
	2015	2014
	HK\$'000	HK\$'000
		(Restated)
Analysed into:		
Current	2,271	2,140
Non-current	13,090	14,062
	15,361	16,202

The balances represent ten-year management fees received in advance in respect of tombs and columbarium niches sold. Management fee receipts in advance are credited to revenue on the straight-line method over a period of the contractual periods (which are generally ten years).

17. PROMISSORY NOTES

On 7 January 2013, the Company issued the promissory notes (“PN”) with a principal amount of HK\$50,000,000 as part of the consideration for the Group’s acquisition of the entire issued share capital of Jia Yuan, which through Hirise, indirectly holds 47.38% equity interests in Zhejiang Anxian Yuan. The PN has a maturity of 36 months from the date of issue and bear simple interest at a rate of 2% per annum

The fair value of the PN is calculated based on the principal amount and simple interest of the PN and discounted at the effective interest rate of 7.84% per annum for the period before its maturity. The valuation of the PN as at the date of its issue was carried out by LCH, using the discounted cash flow approach by applying an appropriate discount rate on the estimated future cash outflows on repayment of the PN. The discount rate is derived from market risk-free rate and risk premium specific to the Company with reference to market sources. The fair value of the PN is recorded as financial liabilities stated at amortised cost in accordance with HKAS 39.

At the sole discretion of the Company, the PN can be repaid earlier, and no additional interest will be incurred if the PN are fully repaid prior to its maturity date. The early repayment option of the PN is regarded as an embedded derivative not closely related to the host contract (the PN). It shall be separately accounted for as a financial instrument at fair value through profit or loss. The directors of the Company consider that the fair value of the early repayment option was insignificant on initial recognition and as at the reporting date.

During the Year, the Company repaid part of the PN amounting to HK\$12,538,000 (2014: HK\$22,000,000).

Movements of the PN are set out as follows:

	2015 HK\$’000	2014 HK\$’000
At 1 April	12,074	30,144
Early repayments	(12,538)	(22,000)
Interest expenses	464	3,930
	<hr/>	<hr/>
As at 31 March	–	12,074

18. CONVERTIBLE NOTES

On 7 January 2013, the Company issued convertible notes (“CN”) with a principal amount of HK\$330,000,000 as part of the consideration for the Group’s acquisition of the entire issued share capital of Jia Yuan, which through Hirise, indirectly holds 47.38% equity interests in Zhejiang Anxian Yuan.

The CN are unsecured, non-interest-bearing and will mature on the 5th anniversary of the date of issue of the CN (the “Maturity Date”). The conversion price, subject to the anti-dilution adjustments, is HK\$0.10 per conversion share. The CN can be converted in whole or in part into conversion shares at any time following the date of issue until one working day prior to the Maturity Date. Any CN which remain outstanding on the Maturity Date shall be converted automatically into the conversion shares unless such conversion will result in (1) a holder of the CN and parties acting in concert with it, taken together, will directly or indirectly, control or be interested in 29% or more of the entire issued shares of the Company or such percentage as may from time to time be specified in the Hong Kong Code on Takeovers and Merger as being the level for triggering a mandatory general offer, whichever is lower, or (2) the Company will be in breach of the minimum public float requirement under the Listing Rules. In such events, the maturity date of the CN will be extended for further 5 years. Any CN which remain outstanding on the extended maturity date shall be converted automatically into the conversion shares. All outstanding CN which are not converted thereafter will be cancelled by the Company and fully waived without any cost or will not be converted into the debt of the Company. Holders of the CN will have no right to redeem and the Company has no obligation to repay the outstanding amount.

The CN are accounted for as an equity instrument in accordance with HKAS 32 as the entire number of the CN must be converted into conversion shares on or before the Maturity Date or the extended maturity date of this CN, as anti-dilution adjustment clauses in the CN are not breached the fixed-for-fixed rule in HKAS 32. The fair value of the CN at the date of its issue was carried out by LCH. The CN were priced as prepaid forward, an arrangement in which one can pay for the stock today and receive the stock at an agreed-upon date. Generally, the price of a prepaid forward is equal to the spot asset price. In valuing the CN, adjustment has been made for the dilution effect of the issue of the CN.

On 7 January 2013, the CN were issued at the fair value of approximately HK\$147,560,000 and were recognised as convertible notes reserve in the consolidated statement of changes in equity of the Group. The reserve will be realised when the CN are converted or cancelled.

On 23 April 2013 and 24 December 2013, part of the CN with an aggregate amount of HK\$85,000,000 and HK\$47,000,000 were converted at the conversion price of HK\$0.10 each into 850,000,000 and 470,000,000 ordinary shares of the Company at HK\$0.10 each, respectively.

On 25 February 2015 and 25 March 2015, part of the CN with an aggregate amount of HK\$30,000,000 and HK\$15,000,000 were converted at the conversion price of HK\$0.10 each into 300,000,000 and 150,000,000 ordinary shares of the Company at HK\$0.10 each, respectively.

19. BUSINESS COMBINATION

On 5 November 2014, the Group acquired 100% equity interest in 杭州好樂天禮儀服務有限公司 (in English, for identification purpose only, Hangzhou Haoletian Etiquette Service Company Limited (“Hangzhou Haoletian”) from four independent individual shareholders. Hangzhou Haoletian is engaged in providing cemetery and funeral services and Mr. Shi Hua is a director of Hangzhou Haoletian. The acquisition was made as part of the Group’s strategy to expand its market share of the cemetery business. The purchase consideration for the acquisition equivalent to HK\$9,796,000 was in the form of cash, which was fully paid on 6 November 2014.

The fair values of the identifiable assets and liabilities of Hangzhou Haoletian as at the date of acquisition were as follows:

	Fair value recognised on acquisition
<i>Notes</i>	<i>HK\$’000</i>
Cash and bank balances	161
Trade receivables	63
Prepayments and other receivables	32,338
Inventories	147
Investment in an associate	2,816
Property, plant and equipment	79
Trade payables	(233)
Accruals and other payables	(125)
Interest-bearing bank borrowings	(25,237)
	<hr/>
Total identifiable net assets at fair value	10,009
	<hr/>
Gain on bargain purchase recognised in other income and gains in the consolidated statement of profit or loss	6 (213)
Satisfied by cash	9,796
	<hr/>

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	<i>HK\$’000</i>
Cash consideration	(9,796)
Cash and bank balances acquired	161
	<hr/>
Net outflow of cash and cash equivalents included in cash flows from investing activities	(9,635)
	<hr/>

Since the acquisition, Hangzhou Haoletian contributed HK\$1,933,000 to the Group’s revenue and HK\$404,000 to the consolidated profit for the year ended 31 March 2015.

Had the combination taken place at the beginning of the Year, the revenue of the Group and the profit of the Group for the Year would have been HK\$100,211,000 and HK\$30,929,000, respectively.

20. EVENTS AFTER THE REPORTING DATE

There is no event occurring after the reporting date to be disclosed by the Group up to the approval date of financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

CEMETERY INDUSTRY IN THE PRC

According to the China Statistical Yearbook 2011, the nominal Gross Domestic Product (“GDP”) of the PRC increased from approximately RMB9,921.4 billion in 2000 to approximately RMB40,120.2 billion in 2010 with a compound average growth rate (“CAGR”) of approximately 15.0%. The population of the PRC increased from approximately 1.27 billion in 2000 to approximately 1.34 billion in 2010, representing an increase of CAGR of approximately 0.54%. The population over the age of 65 in the PRC was approximately 6.96% and 8.87% and the mortality rate 0.645% and 0.711% of the total population of the PRC for 2000 and 2010 respectively.

The China Report of the Development on Aging Cause (2013) issued by the Chinese Academy of Social Sciences indicates that the China’s aging rate had already reached 14.8% in 2013. The report from Euromonitor International, an investigation and research company in Britain, also forecasts that the population of age over 65 in China will increase by more than 5% per year, and by 2025, the aging population will increase by 1 million per year, and that the funeral service industry in China will increase by an annual compound growth rate of 17% from 2013 to 2017, with the market size estimates to reach RMB99.3 billion in 2017.

The Directors considered funeral services have been a very important component in Chinese social and religious systems. It has been a long tradition in the PRC to hold public decorum and show respect to the deceased. The Directors believe there is potential growth on the development of cemetery business due to growing trend of aged population and economic improvement in the PRC.

BUSINESS REVIEW

During the Year, the Group continued its focus on Cemetery Business in the PRC which the Directors believe has ample growth business opportunities. While the Group, through Zhejiang Anxian Yuan – a well-established subsidiary engaging Cemetery Business in Hangzhou, continues to construct burial sites for sale to its customers, the Group actively seeks for other business opportunities.

Our Operation Headquarter in Hangzhou, the PRC, responsible for the coordination of business development and management of cemeteries in the PRC, has been functioning since March 2014. The headquarter will continue to support the expansion of Cemetery Business and will help allocation of economic resources with a view to enhancing the Group’s competitiveness in the PRC.

Our new investment arm, Shanghai Anxian Yuan, a company established in the China (Shanghai) Pilot Free Trade Zone under the laws of the PRC in November 2013, has set up several branch companies in various districts in the PRC and has commenced investments in several cemetery-related projects including Liantown, Guizhou Cemetery and Fushan Cemetery, details of which are set out in the Company's announcements dated 3 March 2014, 15 May 2014, and 8 August 2014 respectively. To support the Group's development in O2O business, Shanghai Anxian Yuan also invests in Anbaishi, a limited company established in the PRC. As at the reporting date, the Group holds 35% equity interests in this company.

On 5 November 2014, 中福園林設計(杭州)有限公司 (in English, for identification purpose only, China Boon Landscape Design (Hangzhou) Co. Ltd.), a wholly foreign-owned enterprise established in the PRC and an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement to acquire 100% equity interest in Hangzhou Haoletian, a company established in the PRC with limited liability, at a total consideration of RMB7,700,000 (equivalent to approximately HK\$9,796,000). Hangzhou Haoletian is principally engaged in the provision of funeral services and the sale of funeral goods. The Board considers that the acquisition can provide an opportunity for the Group to broaden its scope of business in the funeral service industry. Details are set out in the Company's announcement dated 5 November 2014.

BUSINESS OUTLOOK

The issues of birth, old age, sickness and death are entwining human beings eternally. With the growing trend of China's aged population and economic growth, the funeral business, a high-spending specialty industry, is experiencing a long-term growing business opportunity.

In the Year, the Group conducted all-round strategic adjustments from management structure of the Group to the strategic layout of its overall business, and fully prepared for the opportunities and challenges coming ahead.

FINANCIAL REVIEW

For the Year, the Group recorded net profit of approximately HK\$38.1 million (2014: approximately HK\$6.0 million) on turnover of approximately HK\$97.4 million (2014: approximately HK\$157.3 million). During the Year, Zhejiang Anxian Yuan sold 1,183 tombs (2014: 1,125 tombs), No columbarium niches were sold in the Year (2014: 31,000 niches). Improvement in the results of the Group was mainly attributable to reversal of business tax over accrued in previous years in the amount of HK\$32.8 million.

Net assets of the Group as at 31 March 2015 was approximately HK\$552 million (2014: approximately HK\$451 million (restated)). During the Year, the Group raised approximately HK\$54.3 million by placing shares (2014: Nil).

ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

On 5 November 2014, 中福園林設計(杭州)有限公司 (in English, China Boon Landscape Design (Hangzhou) Co. Ltd.), a wholly foreign-owned enterprise established in the PRC and an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement to acquire 100% equity interest in Hangzhou Haoletian at a total consideration of RMB7,700,000 (equivalent to approximately HK\$9,796,000). Further details are set out under “Business Review” above and in note 19.

Save as disclosed above, the Group had no material acquisition and disposal of subsidiaries and associated companies during the Year.

OTHER INFORMATION

1. Purchase, sale or redemption of listed securities of the company

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

2. Directors’ securities transactions

The Company has adopted the Model Code as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiry of all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code throughout the Year.

3. Corporate governance practices

The Board is committed to maintain a high standard of corporate governance with a view to enhance the management of the Company as well as to preserve the interests of the Shareholders as a whole. In the opinion of the Board, the Company had complied with the Code during the Year, except for the deviation from code provisions A.1.1 and A.6.7 of the Code as described below.

Compliance with code on corporate governance practices

During the year ended 31 March 2015, the Board has adopted and complied with the code provisions of the Code in so far as they are applicable except for the following deviations.

Code provision A.1.1 of the Code

Code provision A.1.1 of the Code stipulates that the Board should meet regularly and board meeting should be held at least four times a year at approximately quarterly intervals. During the Year, only two regular board meetings were held to review and discuss the annual and interim results. The Company does not announce its quarterly results and hence does not consider the holding of quarterly meetings as necessary.

Code Provision A.6.7 of the Code

Code provision A.6.7 of the Code provides that independent non-executive directors and other non-executive directors, as equal board members as other directors, should attend general meetings of the company. Due to business commitment, a Non-executive Director, Mr. Wang Hongjie, was unable to attend the AGM held on 22 September 2014.

Continuous efforts are made to review and enhance the Group's internal controls and procedures in light of changes in regulations and developments in best practices.

4. Dividend

The Directors do not recommend the payment of any dividend for the Year (2014: Nil).

5. Review by Audit Committee

The Audit Committee has reviewed the annual results of the Group for the Year.

6. Scope of work of Ernst & Young

The financial figures in respect of the preliminary announcement of the Group's annual results for the Year have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the Year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

7. Publication of Annual Report on the website of the Stock Exchange and the Company

The Company's annual report containing all information required by the Listing Rules will be despatched to shareholders and published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.anxianyuanchina.com in due course.

By Order of the Board
ANXIAN YUAN CHINA HOLDINGS LIMITED
SHI HUA
Chairman

Hong Kong, 29 June 2015

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Shi Hua, Mr. Shi Jun, Mr. Law Fei Shing, Ms. Shen Mingzhen and Mr. Cheng Gang; one non-executive director, namely Mr. Wang Hongjie; and three independent non-executive directors, namely Mr. Chan Koon Yung, Mr. Lai Chun Yu and Mr. Li Xigang.

GLOSSARY

Bye-laws	the bye-laws of the Company, as amended from time to time
Code	the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 of the Listing Rules
Company/Anxian Yuan China Holdings	Anxian Yuan China Holdings Limited, a company incorporated in the Bermuda with limited liability and the issued Shares are listed on the Stock Exchange
Director(s)	the director(s) of the Company
Executive Director(s)	the executive Director(s)
Group	the Company and its subsidiaries
HKAS	the Hong Kong Accounting Standards issued by the HKICPA
HKFRS(s)	the Hong Kong Financial Reporting Standards, collectively includes all applicable individual Hong Kong Financial Reporting Standards, HKAS and Interpretations issued by the HKICPA
HKICPA	the Hong Kong Institute of Certified Public Accountants
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Independent Non-executive Director(s)	the independent non-executive Director(s)
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules
Non-executive Director(s)	the non-executive Director(s)

PRC	the People's Republic of China, which for the purpose of this announcement exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
Shanghai Anxian Yuan	安賢園 (上海) 陵園投資管理有限公司 (in English, for identification purpose only, Anxian Yuan (Shanghai) Cemeteries Investment Management Company Limited), a limited liability company established in the China (Shanghai) Pilot Free Trade Zone under the laws of the PRC
Share(s)	the ordinary share(s) of HK\$0.1 each in the share capital of the Company
Shareholder(s)	holder(s) of the Share(s)
Stock Exchange	The Stock Exchange of Hong Kong Limited
Year	the year ended 31 March 2015
Zhejiang Anxian Yuan	浙江安賢陵園有限責任公司 (in English, for identification purpose only, Zhejiang Anxian Yuan Company Limited), a limited liability company established under the laws of the PRC
HK\$	Hong Kong dollars, the lawful currency of Hong Kong
RMB	Renminbi, the lawful currency of PRC
US\$	United States dollars, the lawful currency of USA
%	per cent