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CHANCETON FINANCIAL GROUP LIMITED
川盟金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8020)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2013

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 higher investment risk may be attached than other 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 (the "Directors") of Chanceton Financial Group Limited (the "Company" and together with its subsidiaries, the "Group") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement herein or in this announcement misleading.

HIGHLIGHTS

- Audited revenue of the Group for the year ended 31 March 2013 amounted to approximately HK$8.53 million, representing a decrease of approximately 37.2% over last year.

- Audited loss attributable to owners of the Company for the year ended 31 March 2013 of approximately HK$9.17 million as compared to audited profit attributable to owners of the Company of approximately HK$2.08 million last year. **Such loss was mainly due to (i) share of loss arising from an associate of approximately HK$5.44 million; (ii) imputed interest incurred of approximately HK$1.49 million in respect of the convertible bonds in relation to acquisition of 20% equity interests of Revenue Synthesis Limited; and (iii) the incurrence of a one-off legal and professional fees and other related expenses of approximately HK$3 million in relation to the fund raising activity and acquisition conducted by the Group throughout the year.**

- **The Board wishes to emphasis that that items (i) & (ii) of the abovementioned losses of approximately HK$6.93 million in aggregate is non-cash in nature and has no cash flow impact to the Group. Excluding these non-cash losses and one-off expenses associated with our fund raising and acquisition activities, the Group would have recorded a net profit for the Financial Year.**

- The Board does not recommend the payment of a dividend for the year ended 31 March 2013.

ANNUAL RESULTS (AUDITED)

The board of Directors (the "**Board**") of Chanceton Financial Group Limited (the "**Company**") is pleased to present the audited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2013 (the "**Financial Year**"), together with the audited comparative figures for the corresponding period in 2012, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013

	Notes	2013 HK$'000	2012 HK$'000 (restated)
Revenue	*5*	**8,526**	13,566
Other revenue	*5*	**112**	190
Administrative and operating expenses		**(11,009)**	(10,238)
Change in fair value of contingent consideration payable		**(47)**	–
Finance cost	*6*	**(1,494)**	–
Share of result of an associate		**(5,444)**	–
(Loss)/profit before tax	*7*	**(9,356)**	3,518
Income tax	*8*	**188**	(1,435)
(Loss)/profit for the year		**(9,168)**	2,083
Other comprehensive loss, net of tax			
Share of changes in other comprehensive income in an associate		**(3)**	–
Other comprehensive loss for the year, net of tax		**(3)**	–
Total comprehensive (loss)/income for the year		**(9,171)**	2,083
(Loss)/profit attributable to owners of the Company for the year		**(9,168)**	2,083
Total comprehensive (loss)/income attributable to owners of the Company for the year		**(9,171)**	2,083
(Loss)/earnings per share	*10*		
Basic and diluted (HK cents)		**(0.42)**	0.10

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2013

	Notes	2013 HK$'000	2012 HK$'000
ASSETS			
Non-current assets			
Plant and equipment		**93**	178
Interest in an associate		**235,483**	–
		235,576	178
Current assets			
Trade receivables	*11*	**786**	2,493
Prepayments, deposits and other receivables		**399**	352
Amount due from a related company		**62**	20
Tax recoverable		**953**	224
Cash and cash equivalents		**96,810**	42,484
		99,010	45,573
Less: Current liabilities			
Other payables and accruals		**731**	3,067
Contingent consideration payable		**68,745**	–
		69,476	3,067
Net current assets		**29,534**	42,506
Total assets less current liabilities		**265,110**	42,684
Less: Non-current liabilities			
Convertible bond		**61,605**	–
Deferred tax liabilities		**9,430**	–
		71,035	–
Net assets		**194,075**	42,684

	Notes	**2013** HK$'000	2012 HK$'000
EQUITY			
Equity attributable to the owners of the Company			
Share capital	*12*	**5,550**	5,000
Reserves		**188,525**	37,684
Total equity		**194,075**	42,684

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2013

	Attributable to owners of the Company						
	Share capital *HK$'000*	Share premium *HK$'000*	Other reserve *HK$'000*	Exchange translation reserve *HK$'00*	Convertible bond reserve *HK$'000*	Retained profits/ (Accumulated loss) *HK$'000*	Total equity *HK$'000*
At 1 April 2011	530	–	–	–	–	11,616	12,146
Profit and total comprehensive income for the year	–	–	–	–	–	2,083	2,083
Effect of reorganisation	(529)	–	529	–	–	–	–
Effect of capitalisation issue	3,799	(3,799)	–	–	–	–	–
Issue of new shares upon listing	1,200	34,800	–	–	–	–	36,000
Transaction costs attributable to issue of new shares	–	(1,545)	–	–	–	–	(1,545)
Interim dividend paid	–	–	–	–	–	(6,000)	(6,000)
At 31 March 2012 and 1 April 2012	5,000	29,456	529	–	–	7,699	42,684
Loss for the year	–	–	–	–	–	(9,168)	(9,168)
Other comprehensive loss for the year	–	–	–	(3)	–	–	(3)
Total comprehensive loss for the year	–	–	–	(3)	–	(9,168)	(9,171)
Equity component of convertible bond	–	–	–	–	27,375	–	27,375
Equity component of contingent consideration payable	–	–	30,996	–	–	–	30,996
Deferred tax arising on issue of convertible bond and contingent consideration payable	–	–	(5,165)	–	(4,519)	–	(9,684)
Issue of consideration shares	250	53,500	–	–	–	–	53,750
Issue of ordinary shares	300	59,700	–	–	–	–	60,000
Transaction costs attributable to issue of ordinary shares	–	(1,875)	–	–	–	–	(1,875)
At 31 March 2013	5,550	140,781	26,360	(3)	22,856	(1,469)	194,075

Notes:

1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 20 April 2011. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681 KY1-1111, Cayman Islands. The principal place of business is located at Unit A, 23/F, CMA Building, 64-66 Connaught Road Central, Hong Kong.

The Company had its primary listing on GEM of the Stock Exchange on 12 October 2011.

The Company acts as an investment holding company. Details of the principal activities of its subsidiaries are set out in the annual report for the year ended 31 March 2013.

In the opinion of the directors, the ultimate holding company of the Company is Kate Glory Limited, which is incorporated in British Virgin Islands.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company. All values are rounded to the nearest thousand, unless otherwise stated.

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

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations (the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants which are effective for the Group's financial period beginning 1 April 2012. A summary of the new HKFRSs are set out as below:

HKFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets
HKAS 12 (Amendments)	Deferred Tax – Recovery of Underlying Assets

The application of the above new HKFRSs had no material effect on the results and financial positions of the Group for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustments has been required.

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

HKFRS (Amendments)	Annual Improvements 2009-2011 Cycle[2]
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities[3]
HKFRS 1 (Amendments)	Government Loans[2]
HKFRS 7 (Amendments)	Disclosure – Offsetting Financial Assets and Financial Liabilities[2]

HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Dates of HKFRS 9 and Transition Disclosures[4]
HKFRS 9	Financial Instruments[3]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangements[2]
HKFRS 12	Disclosure of Interests in Other Entities[2]
HKFRS 13	Fair Value Measurement[2]
HKFRS 10, HKFRS 11 & HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities – Transition Guidance[2]
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income[1]
HKAS 19 (as revised in 2011)	Employee Benefits[2]
HKAS 27 (as revised in 2011)	Separate Financial Statements[2]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[2]
HKAS 32 (Amendments)	Presentation – Offsetting Financial Assets and Financial Liabilities[3]
HKAS 36 (Amendments)	Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets[3]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[2]
HK(IFRIC) – Int 21	Levies[3]

[1] Effective for annual periods beginning on or after 1 July 2012.
[2] Effective for annual periods beginning on or after 1 January 2013.
[3] Effective for annual periods beginning on or after 1 January 2014.
[4] Effective for annual periods beginning on or after 1 January 2015.

The Group is in the process of assessing the potential impact of the above new HKFRSs upon initial application but is not yet in a position to state whether the above new HKFRSs will have a significant impact on the Group's results of operations and financial position.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and financial liabilities that are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKAS") and Interpretations) issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance.

4. SEGMENT INFORMATION

Information reported to the management of the Group, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performances focuses on corporate finance advisory business. During the years ended 31 March 2013 and 2012, the Group only focuses on corporate finance advisory business and all the assets and major revenue are located and derived in Hong Kong. Accordingly, no segment analysis is presented.

Information about major clients

Revenue from major clients, each of them amounted to 10% or more of the Group's revenue, are set out below:

	Year ended 31 March	
	2013	2012
	HK$'000	*HK$'000*
Customer A	**3,020**	4,860
Customer B	**–**	2,170
Customer C	**–**	1,800
Customer D	**–**	1,430
Customer E	**1,000**	–

5. REVENUE AND OTHER REVENUE

The Group

Revenue represents fees income received from corporate finance advisory services rendered during the years.

Other revenue received during the year is as follows:

	Year ended 31 March	
	2013	2012
	HK$'000	*HK$'000*
Management fee income	**41**	160
Bank interest income	**1**	–
Sundry income	**70**	30
	112	190

6. FINANCE COSTS

	Year ended 31 March	
	2013	2012
	HK$'000	*HK$'000*
Imputed interest on convertible bond	**1,494**	–

7. (LOSS)/PROFIT BEFORE TAX

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

	Year ended 31 March	
	2013	2012
	HK$'000	*HK$'000*
Depreciation	**94**	119
Auditors' remuneration	**320**	320
Minimum lease payments under operating leases:		
– property rental	**658**	662
Employee benefit expenses (including directors' remuneration)		
– Wages, salaries, allowances and bonus	**3,811**	3,306
– Pension scheme contributions	**143**	102
	3,954	3,408

8. INCOME TAX

Hong Kong profits tax is calculated at the rate of 16.5% (2012: 16.5%) of the estimated assessable profit arising in Hong Kong during the year.

	Year ended 31 March	
	2013	2012
	HK$'000	*HK$'000*
Current tax	**66**	1,435
Deferred tax	**(254)**	–
	(188)	1,435

9. DIVIDENDS

The dividends distributed by a subsidiary of the Group during the year were as follows:

	Year ended 31 March	
	2013	2012
	HK$'000	*HK$'000*
Interim dividend paid	**–**	6,000

The dividend rates are not presented as such information is considered not meaningful for the purpose of this report.

The directors do not recommend any payment of a final dividend for the year ended 31 March 2013 (2012: Nil).

10. (LOSS)/EARNINGS PER SHARE

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

(Loss)/earnings

	Year ended 31 March	
	2013	2012
	HK$'000	*HK$'000*
(Loss)/profit attributable to the owners of the Company for the purpose of basic and diluted (loss)/earnings per share	**(9,168)**	2,083

Number of shares

	Year ended 31 March	
	2013	2012
	'000	*'000*
		(restated)
Adjusted weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earnings per share	**2,174,575**	2,101,393

The weighted average number of ordinary shares for the purpose of calculating basic and diluted (loss)/earnings per share for the years ended 31 March 2013 and 2012 have been adjusted for the effect of the completion of bonus issue on the basis of three bonus shares for every one existing share on 8 May 2013. The bonus issue has been reflected retrospectively by restating the opening number of shares at 1 April 2011.

During the year ended 31 March 2013, the Company's outstanding convertible bond was not included in the calculation of diluted loss per share because the effect of the Company's outstanding convertible bond was anti-dilutive and therefore the diluted loss per share are the same as the basic loss per share.

There was no dilutive potential ordinary shares in existence during the year ended 31 March 2012 and therefore the diluted earnings per share are the same as the basic earnings per share.

11. TRADE RECEIVABLES

The Group's trade receivables arose from corporate finance advisory services rendered during the years ended 31 March 2013 and 2012.

The Group's trading term with its clients is, in general, due upon the issuance of invoices. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. Trade receivables arising from the provision of corporate advisory are non-interest-bearing.

	2013	2012
	HK$'000	*HK$'000*
Trade receivables	**1,416**	2,493
Less: impairment loss recognised	**(630)**	–
	786	2,493

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

	2013	2012
	HK$'000	*HK$'000*
Current to 30 days	**328**	173
31 – 60 days	**70**	–
61 – 90 days	**213**	–
Over 91 days	**175**	2,320
	786	2,493

12. SHARE CAPITAL

The movements of share capital of the Company are as follows:

	Number of ordinary shares of HK$0.01 each	Nominal value of ordinary shares *HK$*
Authorised:		
Upon incorporation on 20 April 2011, 31 March 2012, 1 April 2012 and 31 March 2013	**20,000,000,000,000**	**200,000,000,000**
Issued and fully paid:		
Upon incorporation on 20 April 2011	1	0.01
Issue of shares upon reorganisation	99	0.99
Capitalisation issue	379,999,900	3,799,999
Issue of new shares upon listing	120,000,000	1,200,000
At 31 March 2012 and 1 April 2012	500,000,000	5,000,000
Issue of consideration shares	25,000,000	250,000
Issue of shares	30,000,000	300,000
At 31 March 2013	**555,000,000**	**5,550,000**

FINAL DIVIDEND

The Board does not recommend any payment of final dividend for the year ended 31 March 2013 (2012: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the provision of corporate finance advisory services mainly to listed and non-listed companies in Hong Kong and the PRC. The Group continues seeking to position itself as one of the active local corporate finance advisory service providers in Hong Kong. The Group provides a broad range of corporate finance advisory services to its clients, including:

(i) advising on the Listing Rules, the GEM Listing Rules and Takeovers Code;

(ii) acting as independent financial adviser to transactions of listed issuers falling under the Listing Rules, the GEM Listing Rules and the Takeovers Code;

(iii) advising on M&A activities and other corporate activities; and

(iv) advising on corporate resumption.

During the Financial Year, the global economy remained unstable due to the overhang of Eurozone debt issues and the fragile recovery in the United States. Volatile capital market undermined the confidence of global investor and listed issuer in equity investment. Growing global uncertainties slow down the pace of listed issuers in conducting merger and acquisition activities and fund raising activities. Given the weak market situation, the Group, continued to focus on the provision of corporate finance advisory services to its clients, meanwhile, actively explored business opportunities to diversify business and financial risk as well as broaden the sources of income of the Group.

In order to maintain competitiveness of the Group against competitors in such volatile capital market, the Group had invested much effort on marketing and promotion activities to facilitate new client referrals and client retention. However, due to the continuous unfavourable sentiment in the global economy and the volatile finance market, although we had explored a number of new clients throughout the Financial Year as a result of our marketing effort, several of our existing clients slowed down their pace in conducting merger and acquisition activities and fund raising activities, and as a result, the Group recorded revenue of approximately HK$8.53 million for the year ended 31 March 2013 (2012: HK$13.56 million), representing a decrease of approximately 37.2% when compared to the corresponding period in 2012.

On 24 August 2012, Mysteriously Time Investments Limited, a wholly-owned subsidiary of the Company, Mr. Tsang Yan and Refulgent Sunrise Limited (the "Vendor") entered into a sale and purchase agreement in relation to the possible acquisition of 20% equity interests in Revenue Synthesis Limited, which together with its subsidiaries, engages in AIDS medication business at an aggregate consideration of principal amount of approximately HK$237.50 million payable by way of a combination of consideration shares and convertible bonds (the "20% Acquisition"). The 20% Acquisition was completed on 5 December 2012 and the 25,000,000 consideration shares had been allotted and issued and the first tranche convertible bonds with principal amount of HK$87.50 million had been issued to the Vendor in accordance with the terms and conditions of the sale purchase agreement. Details of the 20% Acquisition were disclosed in the announcements of the Company dated 27 August 2012, 29 October 2012 and 5 December 2012.

On 9 May 2013, Mysteriously Time Investments Limited, Mr. Tsang Yan, the Vendor and Revenue Synthesis Limited entered into an acquisition and subscription agreement in relation to the acquisition of approximately 5% equity interests in Revenue Synthesis Limited at a cash consideration of HK$48 million. The acquisition and subscription was completed on 13 June 2013. Following the completion, the Group is interested in approximately 25% equity interests in Revenue Synthesis Limited. Details were disclosed in the announcements of the Company dated 9 May 2013 and 13 June 2013.

The Board is of the view that the AIDS medication business acquisition is in line with one of the business strategies of the Group which is to seek investment in high-return projects. The Board considers that the AIDS medication business acquisition will diversify the Group's business and in the best interests of the shareholders of the Company as a whole.

The Company's Directors and management will continue to dedicate their best effort to lead the Group to strive for the best interests for its shareholders.

FINANCIAL REVIEW

Revenue

For the Financial Year, revenue of the Group decreased by approximately 37.2% to approximately HK$8.53 million from approximately HK$13.56 million last year. Such decrease was mainly due to the continuous unfavourable sentiment in the global economy and the volatile financial market which caused several of our clients to slow down their pace in conducting merger and acquisition activities and fund raising activities which, to a certain extent, affected the Group's revenue in that period.

Administrative and other operating expenses

The Group's administrative and operating expenses for the Financial Year increased by approximately 7.5% to approximately HK$11.01 million compared to approximately HK$10.24 million last year. The increase was mainly attributed to (i) increase in staff cost by approximately 15.8% to approximately HK$3.95 million compared to approximately HK$3.41 million in last year to cope with expansion of the Group; (ii) incurrence of one-off legal and professional fees and other related expenses of approximately HK$3 million in relation to the fund raising activity and acquisition conducted by the Group throughout the Financial Year; and (iii) release from the recognition of one-off non-recurring listing expenses incurred last year of approximately HK$3.86 million which partially net off the effect of the above factors.

Loss for the Financial Year attributable to owners of the Company

The Group recorded audited loss attributable to owners of the Company for the year ended 31 March 2013 of approximately HK$9.17 million as compared to audited profit attributable to owners of the Company of approximately HK$2.08 million last year. Such loss was mainly due to (i) share of loss arising from an associate of approximately HK$5.44 million; (ii) imputed interest incurred of approximately HK$1.49 million in respect of the convertible bonds in relation to acquisition of 20% equity interests of Revenue Synthesis Limited; and (iii) the incurrence of a one-off legal and professional fees and other related expenses of approximately HK$3 million in relation to the fund raising activity and acquisition conducted by the Group throughout the year. **We wish to emphasis that items (i) & (ii) of the above losses of approximately HK$6.93 million in aggregate is non-cash in nature and has no cash flow impact to the Group. Excluding these non-cash losses and one-off expenses associated with our fund raising and acquisition activities, the Group would have recorded a net profit for the Financial Year.**

Liquidity and financial resources

During the Financial Year, the Group mainly financed its operations with its own working capital. As at 31 March 2013, the Group had net current assets of approximately HK$29.53 million (31 March 2012: approximately HK$42.51 (million). The Group had cash and bank balances of approximately HK$96.81 million (31 March 2012: approximately HK$42.48 million). Current ratio as at 31 March 2013 was approximately 1.43 (31 March 2012: 14.86). The Group's gearing ratios as at 31 March 2013 was 67.16% (2012: N/A). Gearing ratio is calculated by dividing total debts with the total equity. The increase in gearing ratio was due to the increase in the contingent consideration payable and convertible bond. Throughout the Financial Year, the Group had minimal exposure in foreign currency risk as most of the business transactions, assets and liabilities were denominated in Hong Kong dollars. The Group will continue to monitor its foreign currency exposure closely.

CAPITAL COMMITMENTS

As at 31 March 2013, the Group did not have any significant capital commitments (31 March 2012: Nil).

CAPITAL STRUCTURE

During the Financial Year, the Company has issued zero-coupon convertible bonds with a principal amount of HK$87,500,000 which attached the conversion rights to convert 35,000,000 shares of the Company to the vendor as partial consideration in respect of the 20% Acquisition. Details of which is disclosed in to the announcement of the Company dated 5 December 2012. On 8 May 2013, the Company completed a bonus issue on the basis of three bonus shares for every one existing Share held. As a result of the bonus issue, the number of shares to be issued and allotted upon exercise of the conversation rights attached to the above issued convertible bonds had been adjusted to 140,000,000 shares.

During the Financial Year, 25,000,000 ordinary shares of nominal value HK$0.01 each were allotted and issued to the Vendor as partial consideration in respect of the completion of the 20% acquisition. Details of which please refer to the announcement of the Company dated 5 December 2012.

On 17 December 2012, a placing agreement was entered into between the Company and a placing agent to procure not less than six placees, who were independent third parties, on a best effort basis, to subscribe up to an aggregate of 30,000,000 placing shares at HK$2.00 per placing shares. All the placing shares were allotted and issued on 13 March 2013. As at the Financial Year and at 26 June 2013, being the latest practicable date prior to the printing of this annual report (the "Latest Practicable Date"), the issued share capital of the Company are HK$5,550,000 divided into 555,000,000 shares and HK$22,200,000 divided into 2,220,000,000 shares, respectively.

SIGNIFICANT INVESTMENTS HELD

Except for investment in subsidiaries and as disclosed in the announcements of the Company dated 24 August 2012 and 9 May 2013, during the Financial Year and up to the Latest Practicable Date, the Group did not hold any significant investment in equity interest in any company.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Prospectus, the Group did not have other plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the Financial Year, the Group acquired 20% equity interests in Revenue Synthesis Limited at a consideration of principal amount of approximately HK$237.50 million.

On 13 June 2013, the Group further acquired and subscribed approximately 5% of the enlarged share capital in Revenue Synthesis Limited at a consideration of HK$48 million.

Save as disclosed above, Group had no other material acquisitions and disposal of subsidiaries and affiliated companies during the Financial Year and up to the Latest Practicable Date.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 March 2013 (31 March 2012: Nil).

OUTLOOK

In spite of the continuous unfavourable sentiment in the global economy and the competitive business environment in Hong Kong, we are optimistic and see potential opportunities in the corporate finance advisory services industry.

We will continue to pursue our core business, the provision of corporate finance advisory services mainly to listed and non-listed companies in Hong Kong and the PRC, and to strengthen it by enhancing technical competence, expanding the alliance network, improving public awareness, expanding the pre-initial public offering ("Pre-IPO") fundraising business for non-listed companies. As the billing of the Group is issued pursuant to the terms of the relevant mandate, largely by progress payments, such as when a milestone is achieved, the Group had several projects working in progress and we expect the projects to complete in foreseeable future and contribute to the revenue of the Group. The Group will also continue to try to retain its existing clients by offering outstanding and competitive services and to obtain more new engagements from broadening of the client base, while maintaining its existing cost-effective business structure to stay competitive in the industry.

The Board is of the view that the AIDS medication business acquisition is in line with one of the business strategies of the Group as stated in the Prospectus which is to seek investment in high-return projects. The Board is believes that Chinese herbs, in general, are milder, have fewer side effects and are affordable to patients and the growing potential of the China's herbal medicine market for treating AIDS with few competitors, the AIDS Medication Acquisition represents an important milestone to the Group given the huge market potential in the AIDS medication industry. The Group will continue to seek for any possible acquisitions, including but not limited to, medical related business when opportunities arise in line with the aim to broaden the income source and diversify the business risk of the Group.

In addition, the Group will continue to study feasible projects with good potential returns to contribute a maximum wealth to Shareholders. Following the AIDS Medication Acquisition, the Group began to expose in sectors other than the finance industry and the Board considers exploring further corporation opportunities in, among others, the medical industry to expand its business scopes with a view to leverage the expertise and network in the medical and pharmaceutical industry of Revenue Synthesis Limited and Beijing Century Health Technology Development Company Limited.

The Company's Directors and management will continue to dedicate their best effort to lead the Group to strive for the best interests for its shareholders.

FOREIGN EXCHANGE EXPOSURE

The Group continues to adopt a conservative treasury policy with all bank deposits being kept in either Hong Kong dollars, keeping a minimum exposure to foreign exchange risks.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its clients. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

PLEDGE OF ASSETS

As at 31 March 2013, the Group did not pledge any of its assets (31 March 2012: nil) as securities for the banking facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2013, the Group had 16 full-time employees (31 March 2012: 15), including the Directors. Total staff cost (including Directors' emoluments) were approximately HK$3.95 million for the Financial Year as compared to approximately HK$3.41 million in last year. Remuneration is determined with reference to market terms, performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme and medical benefit to its employees in Hong Kong. In addition, the Group adopted a share option scheme for eligible employees (including Directors) to provide incentives to participants for their contributions and continuing efforts to promote the interests of the Group.

COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as set out in the Company's prospectus dated 28 September 2011 (the "Prospectus") with the Group's actual business progress for the period from 1 April 2012 to 31 March 2013 is set out below:

	Business objectives for the period from 1 April 2012 to 31 March 2013 as stated in the Prospectus	Actual business progress for the period from 1 April 2012 to 31 March 2013
1.	**Enhancement of technical competence**	
	➤ Recruit staff for equity department and asset management division	➤ Our Group had recruited staff via referrals. The Group will continue to seek for suitable staff through online recruiters and referrals
	➤ Provide regular training to staff	➤ Our Group had provided regular in-house and/or external training to staff on a monthly basis.
2.	**Expansion of the alliance network**	
	➤ Explore strategic partner alliance opportunities with Hong Kong and PRC financial institutions	➤ Opportunities were explored through different kind of seminar and forum held in Hong Kong and in the PRC

➤ Seek for co-operation with government bodies or universities in Hong Kong and the PRC	➤ The Group has re-designed and repackaged corporate profile and circulate to potential strategic partners
➤ Co-ordinate cocktails and banquets to introduce network to other potential partner	➤ Networking events were held and attended
➤ Organise promotional campaign to promote the strategic partner network system in the PRC	➤ Our Group engaged a professional PR firm to assist us to organize any marketing event and to promote our Group's image

3. Improvement of public awareness and brand building

➤ Participate in conference and meetings in relation to corporate finance advisory and other value-added consulting services	➤ Staff members participated in various conference and meetings
➤ Organise seminars with regard to corporate finance advisory services and follow up market campaign and monitor its effectiveness	➤ The Group formulated plans to organize seminars and follow up market campaigns. The Group engaged a professional PR firm to assist the Group to improve its public awareness and brand building
➤ Formulate long-term marketing and promotion strategies	➤ Our Group, together with the professional PR firm is in the process of formulating long-term marketing and promotion strategies
➤ Promote corporate social responsibility of the Group	➤ Our Group engaged a professional PR firm and will liaise with it to work on it

4. Provision of a wider range of financial services and engagement in investment

➤ Execute business expansion plan or other value-added consulting services and explore opportunities in new business areas and continue to provide a wide range of business and financial advisory services	➤ The Group conducted feasible studies on debt financing and IPO sponsoring services and have submitted to the Securities (the "SFC") and Futures Commission an application for conducting IPO sponsoring services. The Company will actively liaise with the SFC for the progress of the application
➤ Apply for Type 9 regulated activity licence and set up infrastructure and system and begin operation and monitor the stability of the infrastructure and system	➤ The Group is seeking suitable staff members and investment strategies
➤ Apply for Type 1 & 4 regulated activities licences	➤ The Group was in the process of applying for Type 1 regulated activity licence
➤ Create a cash reserve of HK$11.46 million for Type 1 & 4 regulated activities	➤ A cash reserve of HK$11.46 million for Type 1 & 4 regulated activities was created
➤ Create a reserve of HK$2 million as working capital for Type 9 activity	➤ A cash reserve of HK$2 million as working capital for Type 9 regulated activity was created

Looking ahead, the Group will continue to streamline its existing business operations and to explore other business opportunities which are in line with the Group's development strategy and will provide long-term benefits to the Company's shareholders.

USE OF PROCEEDS

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 20 April 2011 and became the holding company of the companies now comprising the Group on 21 September 2011. As part of the preparation for listing of the shares of the Company, the Company implemented a capitalisation issue of 379,999,900 shares and an issue of 120,000,000 new shares during placing for listing in October 2011 (the "Placing"). All such shares were ordinary shares and the 120,000,000 new shares were issued at HK$0.30 per share.

The net proceeds from the listing of the Company were approximately HK$31 million. During the period from the listing date on 12 October 2011 (the "Listing Date") to 31 March 2013, the net proceeds from the listing were applied as follows:

	Planned use of proceeds as stated in the Prospectus from the Listing Date to 31 March 2013 *HK$ million*	**Actual use of proceeds from the Listing Date to 31 March 2013** *HK$ million*	**Unutilised amount of the planned use of proceeds as stated in the Prospectus from the Listing Date to 31 March 2013** *HK$ million*
Enhancement of technical competence			
– Recruit additional staff	0.30	0.30	–
– Enhance computer system	0.30	0.30	–
Expansion of the alliance network	0.60	0.60	–
Improvement of public awareness and brand building	0.30	0.30	–
Provision of a wider range of financial services and engagement in investment			
– Asset management division	6.00	–	6.00
– Equity capital market division	18.46	2.50	15.96
Project investment	2.50	–	2.50
Working capital	1.70	1.70	–
	30.16	5.70	24.46

The Directors are not aware of material change to the planned use of proceeds as at the Latest Practicable Date. Any net proceeds that were not applied immediately were deposited in licensed bank in Hong Kong.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 March 2013, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the Company

Name of Director and chief executive	Capacity	Number of ordinary shares held	Number of underlying shares pursuant to share option	Aggregate Interests	Approximate percentage of shareholding in the Company
Mr. Wong Kam Wah	Interest held as beneficial owner and through controlled corporation	300,000,000 *(Note)*	–	300,000,000	54.05%
Ms. Man Wing Yee Ginny	Beneficial owner	47,510,000	–	47,510,000	8.56%

Note: These shares are registered in the name of Kate Glory Limited ("Kate Glory"). Mr. Wong Kam Wah is the beneficial owner of 100% of the issued share capital of Kate Glory. Mr. Wong is deemed to be interested in 300,000,000 shares of the Company held by Kate Glory.

Save as disclosed above, as at 31 March 2013, none of the Directors and chief executive of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 31 March 2013, so far as was known to the Directors, the following persons/ entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any member of the Group were as follows:

(a) Long positions of the Company

Name of shareholders	Capacity	Nature of interest	Number of ordinary shares held	Approximate percentage of shareholding in the Company
Kate Glory Limited *(Note 1)*	Beneficial owner	Corporate	300,000,000	54.05%
Ms. Man Wing Yee Ginny	Beneficial owner	Personal	47,510,000	8.56%
Ms. Ho Chiu Ha Maisy *(Note 2)*	Beneficial owner	Personal	24,000,000	4.32%
	Interest of a controlled corporation	Corporate	100,000,000	18.02%
Refulgent Sunrise Limited *(Note 2)*	Beneficial owner	Corporate	100,000,000	18.02%
Mr. Tsang Yan *(Note 2)*	Interest of a controlled corporation	Corporate	100,000,000	18.02%

Note:

1) Kate Glory Limited is an investment holding company incorporated in the BVI with limited liability, its entire issued share capital is wholly and beneficially owned by Mr. Wong Kam Wah.

2) Ms. Ho Chiu Ha Maisy has a total interest in 124,000,000 shares, of which (i) 25,000,000 shares were allotted to Refulgent Sunrise Limited, a company owned as to 64% by Mr. Tsang Yan and 36% by Ms. Ho Chiu Ha Maisy. As a result, Ms. Ho Chiu Ha Maisy and Mr. Tsang Yan are deemed to be interested in this shareholding through Refulgent Sunrise Limited by virtue of the SFO; (ii) Ms. Ho Chiu Ha Maisy personal held 24,000,000 shares; and (iii) 75,000,000 shares relate to her derivative interests in convertible bonds through her shareholding in Refulgent Sunrise Limited. Details of which are disclosed in "Convertible Bonds" below.

(b) Convertible bonds

Name of bondholder	Date of issue	Conversion period	Conversion price per share *HK$*	Outstanding as at 31 March 2013	Number of underlying shares	Approximate percentage of the issued share capital of the Company
Refulgent Sunrise Limited	5 December 2012	5 December 2012 – 5 December 2017	2.50	35,000,000	35,000,000	6.31%
	pending	pending	2.50	40,000,000	40,000,000	7.21%

Save as disclosed above, as at 31 March 2013, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who is directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any member of the Group.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the reporting period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors, their respective spouse or children under 18 years of age to acquire such rights in the Company or any other body corporate.

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

Neither the Company, nor any of its subsidiaries, has purchased, redeemed or sold any of the Company's listed shares during the Financial Year.

INTERESTS OF THE JOINT COMPLIANCE ADVISERS

As notified by the joint compliance advisers of the Company, Grand Vinco Capital Limited and Ample Capital Limited (the "Joint Compliance Advisers"), neither the Joint Compliance Advisers nor their directors or employees or associates had any interests in any class of securities of the Company or any other company in the Group (including options or rights to subscribe for such securities) as at 31 March 2013. Pursuant to the agreements dated 28 September 2011 entered into between the Joint Compliance Advisers and the Company, the Joint Compliance Advisers received and will receive fees for acting as the Joint Compliance Advisers.

DIRECTOR'S INTERESTS IN COMPETING INTERESTS

During the Financial Year, none of the Directors, the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause a significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

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, the Company was not aware of any non-compliance with such required standard of dealings and its code of conduct regarding securities transactions by Directors during the Financial Year.

CODE OF CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has complied with all the code provisions as set out in Appendix 15 to the GEM Listing Rules throughout the Financial Year except code provision A.2.1.

Code Provision A.2.1 provides that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The Board considers that the Company is still in its growing stage and it would be beneficial to the Group for Mr. Wong Kam Wah to assume both roles as the chief executive officer and executive chairman of the Company, since the two roles tend to reinforce each other and are mutually enhancing in respect of the Group's continual growth and development. When the Group has developed to a more sizeable organization, the Board will consider splitting the two roles. With the strong business experience of the Directors, they do not expect any issues would arise due to the combined role of Mr. Wong Kam Wah. The Group also has in place an internal control system to perform the check and balance function.

AUDIT COMMITTEE

As required by Rule 5.28 of the GEM Listing Rules, the Company has established an audit committee with written terms of reference which deal clearly with its authority and duties. The audit committee's principal duties are the review and supervision of the Company's financial reporting process and internal control systems.

Audit committee, currently comprises three independent non-executive Directors, namely Mr. Chiu Chi Kong, Mr. William Robert Majcher and Mr. Yau Yan Ming Raymond and one executive Director, namely Mr. Lau Ling Tak, has been established to make recommendation to the Board on the Company's policy. Mr. Yau Yan Ming Raymond is the chairman of the audit committee.

The annual results of the Group for the Financial Year have been reviewed by the audit committee. The audit committee considered that the relevant financial statements have been prepared in compliance with the applicable accounting principles and requirements of the Stock Exchange and disclosures have been fully made.

During the Financial Year, the audit committee held four meetings and performed duties including reviewing the Group's annual report, half-yearly report and quarterly report.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT, ANNUAL REPORT AND CIRCULAR

This annual results announcement is published on the GEM websites (www.hkgem.com) and on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the Company's website (www.chanceton.com). The 2012/2013 annual report of the Company and a circular containing the notice of annual general meeting of the Company will be dispatched to shareholders of the Company and published on the above websites in due course.

By Order of the Board
Chanceton Financial Group Limited
Wong Kam Wah
Chairman

Hong Kong, 28 June 2013

As at the date of this announcement, the executive Directors are Mr. Wong Kam Wah (Chairman), Mr. Leung Man Kit, Mr. Lau Ling Tak and Ms. Man Wing Yee Ginny, independent non-executive Directors are Mr. Chiu Chi Kong, Mr. William Robert Majcher and Mr. Yau Yan Ming Raymond.