

GreaterChina Professional Services Limited

漢華專業服務有限公司

Stock Code: 8193

(Incorporated in the Cayman Islands with limited liability)



2014
INTERIM REPORT

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.

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This report, for which the directors (the “Directors”) of GreaterChina Professional Services Limited (the “Company”) 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, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

This report, in both English and Chinese versions, is available on the Company’s website at www.gca.com.hk.

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CORPORATE INFORMATION

Board of Directors

Executive Director

Mr. Ip Kwok Kwong (*Managing Director*)

Independent Non-Executive Directors

Mr. Tso Ping Cheong, Brian (*Chairman*)

Mr. Yip Chung Wai, David

Ms. Ng See Wai, Rowena

Company Secretary

Mr. Kwok Siu Man

Audit Committee

Mr. Tso Ping Cheong, Brian (*Chairman*)

Mr. Yip Chung Wai, David

Ms. Ng See Wai, Rowena

Remuneration Committee

Ms. Ng See Wai, Rowena (*Chairman*)

Mr. Ip Kwok Kwong

Mr. Tso Ping Cheong, Brian

Mr. Yip Chung Wai, David

Nomination Committee

Mr. Yip Chung Wai, David (*Chairman*)

Mr. Ip Kwok Kwong

Mr. Tso Ping Cheong, Brian

Ms. Ng See Wai, Rowena

Compliance Officer

Mr. Ip Kwok Kwong

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited

Wing Hang Bank Limited

Auditor

RSM Nelson Wheeler, *Certified Public Accountants*

Registered Office

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Head Office and Principal Place of Business in Hong Kong

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Shui On Centre
6-8 Harbour Road
Wanchai
Hong Kong

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

Principal Share Registrar and Transfer Office

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Corporate Website

www.gca.com.hk

Stock Code

8193

The board of Directors of the Company (the "Board") presents the unaudited condensed consolidated financial statements of the Company and its subsidiaries (together, the "Group") for the three months and six months ended 30 September 2014, together with the unaudited comparative figures for the corresponding periods in 2013, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and six months ended 30 September 2014

	Notes	Three months ended 30 September		Six months ended 30 September	
		2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)
Turnover	6	8,798	15,254	16,926	34,717
Cost of services		(5,001)	(6,376)	(10,035)	(11,922)
Gross profit		3,797	8,878	6,891	22,795
Other income	6	1,515	1,113	2,181	1,894
Marketing, administrative and other operating expenses		(11,155)	(11,092)	(20,621)	(20,205)
Finance costs		(1)	(3)	(3)	(6)
Increase in fair value on financial asset at fair value through profit or loss		533	–	533	–
Share of results of associates and a joint venture		(84)	618	(84)	536
(Loss)/profit before tax		(5,395)	(486)	(11,103)	5,014
Income tax expense	7	–	(132)	–	(967)
(Loss)/profit for the period attributable to owners of the Company		(5,395)	(618)	(11,103)	4,047
Other comprehensive (expense)/income, net of tax					
<i>Item that may be reclassified to profit or loss:</i>					
Exchange differences arising on translating foreign operations		(5)	28	3	27
Total comprehensive (expense)/income for the period attributable to owners of the Company		(5,400)	(590)	(11,100)	4,074
		HK cents	HK cents (restated)	HK cents	HK cents (restated)
(Loss)/earnings per share	9				
Basic		(0.72)	(0.10)	(1.63)	0.66
Diluted		(0.72)	(0.10)	(1.63)	0.66

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2014

	Notes	30 September 2014 HK\$'000 (unaudited)	31 March 2014 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	10	1,195	1,368
Investments in associates and a joint venture		68,743	–
Available-for-sale financial asset		2,241	2,241
Deposit paid for acquisition of an associate		325	325
		<u>72,504</u>	<u>3,934</u>
Current assets			
Trade receivables	11	90,849	112,920
Prepayments, deposits and other receivables		28,360	33,346
Financial asset at fair value through profit or loss		26,805	–
Derivative financial asset		173	–
Amount due from a joint venture		3,968	4,080
Pledged bank deposit		1,028	1,022
Bank and cash balances		43,513	4,024
		<u>194,696</u>	<u>155,392</u>
Current liabilities			
Trade payables	12	4,500	4,820
Accruals and other payables		4,250	3,412
Amount due to a director		150	–
Obligations under finance leases		84	167
Current tax liabilities		3,029	3,029
		<u>12,013</u>	<u>11,428</u>
Net current assets		<u>182,683</u>	143,964
NET ASSETS		<u>255,187</u>	147,898
Capital and reserves			
Share capital	13	8,579	5,018
Reserves		246,608	142,880
TOTAL EQUITY		<u>255,187</u>	<u>147,898</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2014

	Attributable to owners of the Company						
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Retained earnings HK\$'000	Share-based payment reserve HK\$'000	Total equity HK\$'000
At 1 April 2014 (audited)	5,018	71,984	5,359	(52)	65,127	462	147,898
Loss for the period	-	-	-	-	(11,103)	-	(11,103)
Exchange differences arising on translating foreign operations	-	-	-	3	-	-	3
Total comprehensive income/(expense)	-	-	-	3	(11,103)	-	(11,100)
Shares issued pursuant to exercise of share options	38	1,004	-	-	-	(330)	712
Recognition of share-based payments	-	-	-	-	-	9	9
Issue of shares upon open offer	2,523	47,941	-	-	-	-	50,464
Issue of consideration shares	1,000	68,000	-	-	-	-	69,000
Share issue expense	-	(1,796)	-	-	-	-	(1,796)
At 30 September 2014 (unaudited)	8,579	187,133	5,359	(49)	54,024	141	255,187
	Attributable to owners of the Company						
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Retained earnings HK\$'000	Share-based payment reserve HK\$'000	Total equity HK\$'000
At 1 April 2013 (audited)	5,000	71,478	5,359	(45)	36,217	669	118,678
Profit for the period	-	-	-	-	4,047	-	4,047
Exchange differences arising on translating foreign operations	-	-	-	27	-	-	27
Total comprehensive income	-	-	-	27	4,047	-	4,074
Shares issued pursuant to exercise of share options	14	378	-	-	-	(121)	271
Recognition of share-based payments	-	-	-	-	-	43	43
Effect of forfeiture of share options granted	-	-	-	-	80	(80)	-
Final dividend paid in respect of the previous financial year	-	-	-	-	(2,500)	-	(2,500)
At 30 September 2013 (unaudited)	5,014	71,856	5,359	(18)	37,844	511	120,566

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS*For the six months ended 30 September 2014*

	Six months ended 30 September 2014 HK\$'000 (unaudited)	Six months ended 30 September 2013 HK\$'000 (unaudited)
Net cash flows generated from operating activities	16,885	2,929
Net cash flows used in investing activities	(26,960)	(10,401)
Net cash flows generated from/(used in) financing activities	49,561	(4,229)
Net increase/(decrease) in cash and cash equivalents	39,486	(11,701)
Cash and cash equivalents at beginning of the period	4,024	19,458
Effect of foreign exchange rate changes	3	(11)
Cash and cash equivalents at end of the period	43,513	7,746

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability.

The Company is an investment holding company. The principal activities of its subsidiaries are provision of asset advisory services, asset appraisal and corporate services and consultancy.

The condensed consolidated financial statements have not been audited. The condensed consolidated financial statements have been reviewed by the audit committee of the Company.

These condensed consolidated financial statements are approved and authorised for issue by the Board on 13 November 2014.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 September 2014 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 'Interim Financial Reporting' issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2014 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2014.

In the current interim period, the Group has applied, for the first time, a new Interpretation and certain amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are mandatorily effective for the current interim period.

The application of the above new Interpretation and amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

4. FAIR VALUE MEASUREMENTS

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following disclosures of fair value measurements gives information about how the fair values of these financial assets are determined, as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(a) Disclosures of level in fair value hierarchy at 30 September 2014:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Recurring fair value measurements:				
Financial asset at fair value through profit or loss	26,805	–	–	26,805
Derivative financial asset	–	–	173	173
	<u>26,805</u>	<u>–</u>	<u>173</u>	<u>26,978</u>

The financial asset at fair value through profit or loss represents listed securities in Hong Kong. Their fair values were determined by reference to the quoted market closing prices in an active market.

The derivative financial asset represents the profit guarantee (the "Profit Guarantee") provided by the vendor to the Company in respect of the acquisition of an associate, Boxin Holdings Limited ("Boxin Holdings") and its wholly-owned subsidiary (collectively the "Boxin Group") in current period, as detailed in note 14. The fair value of the Profit Guarantee has been arrived at on the basis of valuation carried out by Access Partner Consultancy & Appraisals Limited, independent qualified professional valuers not connected to the Group. The fair value was determined based on the income approach, where the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of the Profit Guarantee, based on a rate of return appropriate for the risk of achieving the asset's projected cash flows. The key unobservable input used and its effect on fair value was set out in below:

Unobservable input	Rate adopted	Effect on fair value for increase of input
Weighted average cost of capital	12.5%	Decrease

(b) Reconciliation of Level 3 fair value measurements of financial asset:

	Derivative financial asset HK\$
At 1 April 2014	–
Addition	<u>173</u>
At 30 September 2014	<u><u>173</u></u>

(c) Disclosure of valuation process used by the Group

The Group's management is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The management reports directly to the Board at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

During the six months ended 30 September 2014, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3.

Except for the available-for-sale financial asset which is stated at cost, the Directors consider that the carrying amounts of the Group's financial assets and financial liabilities recorded at amortised cost in the condensed consolidated statement of financial position approximate their respective fair values.

5. SEGMENT INFORMATION

The Group has two reportable segments as follows:

Asset advisory services and asset appraisal	—	Provision of asset advisory services and asset appraisal, including real estate and fixed asset appraisal, mineral property appraisal, business and intangible asset valuation, financial instrument and derivative valuation and advisory related to various types of assets in particular property in the People's Republic of China ("PRC")
Corporate services and consultancy	—	Provision of company secretarial services, human resource management and other administrative services, accounting and tax services, corporate communication and marketing services, corporate governance, internal control and enterprise risk management services, management consultancy services

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technical requirements and marketing strategies.

Segment profits or losses do not include corporate income and expenses, change in fair value on financial asset at fair value through profit or loss, share of results of associates and a joint venture and finance costs. Assets and liabilities are not monitored by the Group's senior executive management based on segments. Accordingly, no information on segment assets and liabilities is presented.

The Group accounts for inter-segment revenue and transfers as if the revenue or transfers were to third parties, i.e. at current market prices.

An analysis of the Group's revenue and results for the period by operating segment was as follows:

	Six months ended 30 September 2014		
	Asset advisory services and asset appraisal HK\$'000 (unaudited)	Corporate services and consultancy HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Revenue from external customers	14,492	2,434	16,926
Inter-segment revenue	–	1,578	1,578
Segment profit/(loss)	2,070	(2,981)	(911)
Unallocated corporate expense, net			(11,201)
Dividend income from financial asset at fair value through profit or loss			560
Increase in fair value on financial asset at fair value through profit or loss			533
Share of results of associates and a joint venture			(84)
Loss for the period			(11,103)
			<hr/> <hr/>
	Six months ended 30 September 2013		
	Asset advisory services and asset appraisal HK\$'000 (unaudited)	Corporate services and consultancy HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Revenue from external customers	21,309	13,408	34,717
Inter-segment revenue	–	4,230	4,230
Segment profit	2,193	10,596	12,789
Unallocated corporate expense, net			(9,278)
Share of results of associates and a joint venture			536
Profit for the period			4,047
			<hr/> <hr/>

6. REVENUE AND OTHER INCOME

Revenue, which is also the Group's turnover, represents income from asset appraisal services, asset advisory services and corporate services and consultancy.

An analysis of revenue and other income are as follows:

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)
Revenue				
Asset appraisal services income	6,894	8,694	14,322	16,657
Asset advisory services income	170	4,652	170	4,652
Corporate services and consultancy income	1,734	1,908	2,434	13,408
	8,798	15,254	16,926	34,717
Other income				
Interest income	4	4	8	5
Dividend income from financial asset at fair value through profit or loss	560	–	560	–
Others	951	1,109	1,613	1,889
	1,515	1,113	2,181	1,894

7. INCOME TAX EXPENSE

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)
Current tax				
— Hong Kong				
Profits Tax				
Provision for the period	—	132	—	967

Hong Kong Profits Tax has been provided at a rate of 16.5% (2013: 16.5%) on the estimated assessable profit for the current and preceding periods.

Tax charges on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

There was no significant unprovided deferred tax for the relevant periods and at the end of each reporting period.

8. DIVIDENDS

The Board does not declare the payment of an interim dividend for the six months ended 30 September 2014 (six months ended 30 September 2013: Nil).

9. (LOSS)/EARNINGS PER SHARE

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

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2013 HK\$'000 (unaudited)
(Loss)/profit attributable to owners of the Company	(5,395)	(618)	(11,103)	4,047
	'000	'000 (restated) (Note)	'000	'000 (restated) (Note)
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	745,321	615,978	681,815	616,275
Effect of dilutive potential ordinary shares:				
Share options	—	—	—	1,532
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	745,321	615,978	681,815	617,807

Note: The weighted average number of ordinary shares for the purpose of calculating basic and diluted (loss)/earnings per share for the period has been retrospectively adjusted for the effect of the issue of shares upon an open offer as detailed in note 13(b), which was completed on 25 August 2014.

The computation of diluted loss per share for the three months and six months ended 30 September 2014, and for the three months ended 30 September 2013 did not include the Company's outstanding share options since their assumed exercise would result in an anti-dilutive effect on loss per share.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2014, the Group acquired plant and equipment at a cost of approximately HK\$157,000 (six months ended 30 September 2013: HK\$76,000).

During the three months ended 30 September 2014, the Group incurred depreciation expense of approximately HK\$166,000 (three months ended 30 September 2013: HK\$149,000).

During the six months ended 30 September 2014, the Group incurred depreciation expense of approximately HK\$330,000 (six months ended 30 September 2013: HK\$296,000).

11. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit. During the six months ended 30 September 2014, the credit terms generally range from 14 to 30 days (year ended 31 March 2014: same). However, according to our past experience, revenue from asset advisory and corporate consultancy services would have a longer collection period of over 180 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the Directors.

As at 30 September 2014 and 31 March 2014, the ageing analysis of the trade receivables, net of allowance, was as follows:

	As at 30 September 2014 HK\$'000 (unaudited)	As at 31 March 2014 HK\$'000 (audited)
0 to 30 days	2,346	31,999
31 to 90 days	1,992	7,939
91 to 180 days	1,042	1,333
181 to 365 days	31,136	16,034
Over 365 days	54,333	55,615
	<hr/>	<hr/>
Total	90,849	112,920
	<hr/> <hr/>	<hr/> <hr/>

The Group's ageing analysis of trade receivable from asset advisory and corporate consultancy services, based on invoice date, and net of allowance, is as follows:

	As at 30 September 2014 HK\$'000 (unaudited)	As at 31 March 2014 HK\$'000 (audited)
0 to 30 days	–	25,300
31 to 90 days	–	–
91 to 180 days	–	–
181 to 365 days	29,952	14,377
Over 365 days	46,885	53,257
	<hr/> 76,837 <hr/>	<hr/> 92,934 <hr/>

As at 30 September 2014, the trade receivables from asset advisory and corporate consultancy services aged over 180 days (the "Long Outstanding Receivables") amounted to approximately HK\$76,837,000 (31 March 2014: approximately HK\$67,634,000). The Directors closely monitor the recovery of the Long Outstanding Receivables. Appropriate measures are being taken to facilitate their subsequent settlement without undue delay.

12. TRADE PAYABLES

As at 30 September 2014 and 31 March 2014, the ageing analysis of the trade payables was as follows:

	As at 30 September 2014 HK\$'000 (unaudited)	As at 31 March 2014 HK\$'000 (audited)
0 to 90 days	4,500	4,820
	<hr/> 4,500 <hr/>	<hr/> 4,820 <hr/>

13. SHARE CAPITAL

	Number of shares	Amount HK\$'000
Authorised:		
Ordinary shares of HK\$0.01 (2013: HK\$0.01) each		
At 1 April 2013, 30 September 2013, 1 April 2014 and 30 September 2014	2,000,000,000	20,000
Issued and fully paid:		
Ordinary shares of HK\$0.01 (2013: HK\$0.01) each		
At 1 April 2013 (audited)	500,040,000	5,000
Issue of shares on exercise of share options (Note (a))	1,800,000	18
At 31 March 2014 (audited)	501,840,000	5,018
Issue of shares on exercise of share options (Note (a))	3,734,800	38
Issue of shares upon open offer (Note (b))	252,320,000	2,523
Issue of consideration shares for the acquisition of an associate (note 14)	100,000,000	1,000
At 30 September 2014 (unaudited)	857,894,800	8,579

Notes:

- (a) During the six months ended 30 September 2014, 3,734,800 (year ended 31 March 2014: 1,800,000) ordinary shares were issued as a result of the exercise of share options of the Company, of which 2,800,000 and 934,800 shares were issued at HK\$0.2 and HK\$0.16 per share, respectively.
- (b) On 25 August 2014, the Company completed an open offer and issued 252,320,000 offer shares at a subscription price of HK\$0.2 per offer share on the basis of one offer share for every two existing shares held on the record date. The net proceeds from the open offer, after deducting directly attributable costs, were approximately HK\$48.7 million.

14. ACQUISITION OF AN ASSOCIATE

On 12 August 2014, the Group entered into a sale and purchase agreement, pursuant to which the Group acquired 30% equity interests in Boxin Holdings by allotment and issue of 100,000,000 ordinary shares of the Company, credited as fully paid. Boxin Holdings holds a wholly-owned subsidiary incorporated in Hong Kong, an entity which mainly engages in business of trading and exchange of gold and silver in Hong Kong. The acquisition was completed on 28 August 2014.

Goodwill of approximately HK\$64,053,000 was arising on the acquisition, and included within the carrying amount of interests in associates, with details as follows:

	As at 30 September 2014 HK\$'000 (unaudited)
Purchase consideration:	
— Fair value of 100,000,000 ordinary shares issued (<i>Note (a)</i>)	69,000
— Fair value of the Profit Guarantee (<i>Note (b)</i>)	(173)
	<hr/>
	68,827
Share of fair value of net assets acquired	(4,774)
	<hr/>
Goodwill (<i>Note (c)</i>)	64,053
	<hr/> <hr/>

Notes:

- (a) The fair value of the consideration shares was determined with reference to the quoted market closing price of HK\$0.69 of the Company's shares on the date of completion.
- (b) Pursuant to the terms of the sale and purchase agreement, the vendor of Boxin Holdings undertake that the audited consolidated net profit of Boxin Group shall not be less than HK\$8,000,000 for the twelve months period starting from 29 August 2014 and shall compensate the shortfall adjusted with the interests shared by Group and the implied price-to-earnings ratio, details of which were set out in the announcement of the Company dated 12 August 2014.

The Profit Guarantee represents a right to the return of previously transferred consideration for the acquisition of Boxin Group when the specified conditions are met and hence constitutes a kind of contingent consideration. The fair value of the Profit Guarantee at the date of acquisition was recognised as a derivative financial asset in the condensed consolidated statement of financial position.

- (c) The goodwill arising on the acquisition of the associate is attributable to the anticipated profitability of the associate and the future operating synergies from the combination.

15. RELATED PARTIES TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the notes to the condensed consolidated financial statements, the Group had the following transactions with its related parties during the period:

		Six months ended	
		30 September	2013
Name of directors/ non-controlling shareholders/ joint venture having beneficial interest in the transaction		2014	2013
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Corporate services and consultancy income from related companies			
– Greater China Capital Limited	Mr. Ip Kwok Kwong and Mr. Wong Chi Keung	60	60
– Greater China Investment Advisory & Management Limited	Mr. Ip Kwok Kwong and Mr. Wong Chi Keung	–	7
– SL Resources Limited	Mr. Ip Kwok Kwong and Mr. Wong Chi Keung	4	32
– Asia Pacific International Professional Managers Management Centre Limited	Asia Pacific International Professional Managers Holdings Limited	4	–

Key management personnel of the Company referred to an executive director of the Company and his compensation during the period was as follows:

	Six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Salaries and other short-term benefits	2,117	1,996
Post-employment benefits	9	8
	2,126	2,004

16. CONTINGENT LIABILITIES

As at 30 September 2014 and 31 March 2014, the Group had no contingent liabilities.

17. EVENT AFTER THE REPORTING PERIOD

As disclosed in the announcement of the Company dated 13 November 2014, Zhong Nan Investments Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the "Agreement") dated 13 November 2014 in relation to an acquisition of 80% of the entire issued share capital (the "Acquisition") of Golden Vault Limited ("Golden Vault") from an independent third party (the "Vendor"). Golden Vault indirectly holds a wholly-owned subsidiary established in the PRC, an entity which is principally engaged in media advertising business and is one of the community media promotion operators in Changshu, the PRC. The total consideration for the Acquisition is HK\$110,000,000, which shall be satisfied by promissory notes in the total principal sum of HK\$110,000,000 (subject to adjustments) issued by the Company to the Vendor pursuant to the Agreement. Completion took place upon the signing of the Agreement on 13 November 2014, upon which Golden Vault becomes indirectly-held non-wholly owned subsidiary of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

The Board does not declare the payment of an interim dividend for the six months ended 30 September 2014 (six months ended 30 September 2013: Nil).

BUSINESS REVIEW

The Group's services are broadly categorised into two main sectors: (i) asset advisory services and asset appraisal; and (ii) corporate services and consultancy.

Asset advisory services and asset appraisal are the core business of the Group, which typically involves provision of independent valuation services to a number of listed groups to meet market, regulatory and fiduciary requirements, sourcing and identifying potential investment opportunities or investors, undertaking due diligence and evaluation on the underlying assets and provision of procedural and strategic business advices. Asset advisory services income is primarily success-based and project-based nature.

The corporate services and consultancy segment mainly focuses on provision of advice to corporations in areas such as corporate governance, internal control, enterprise risk management and other operational aspects as well as provision of back office administration.

According to our past experience, revenue from asset advisory and corporate consultancy services would have a longer collection period. As at 30 September 2014, the trade receivables from asset advisory and corporate consultancy services aged over 180 days amounted to approximately HK\$76,837,000 (31 March 2014: HK\$67,634,000). The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the Directors with actions taken, where necessary, to facilitate subsequent settlement without undue delay.

FINANCIAL REVIEW

The Group's revenue for the six months ended 30 September 2014 was approximately HK\$16.9 million (six months ended 30 September 2013: HK\$34.7 million), representing a decrease of approximately 51.3% from that of 2013. The decrease in the Group's revenue during the period was mainly attributable to decrease in revenue from corporate services and consultancy segment resulted from certain of the Group's projects are still underway and have not been completed during the period.

The Group's cost of services for the six months ended 30 September 2014 was approximately HK\$10.0 million (six months ended 30 September 2013: HK\$11.9 million), representing a decrease of approximately 16.0% from that of 2013. The decrease was mainly due to decrease in subcontracting cost.

The Group's marketing, administrative and other operating expenses for the six months ended 30 September 2014 was approximately HK\$20.6 million (six months ended 30 September 2013: HK\$20.2 million), representing an increase of approximately 2.0% from that of 2013. The increase was mainly due to the Group's further business expansion, by setting up new offices, in overseas market, more operating expenses incurred for the period.

Accordingly, the loss attributable to owners of the Company for the six months ended 30 September 2014 was approximately HK\$11.1 million (six months ended 30 September 2013: profit of approximately HK\$4.0 million).

PROSPECT

Looking ahead, the momentum for European and US economic recovery is yet to be restored and the PRC also reported a lower Gross Domestic Product growth than before; implying challenges to our business. Although our revenue growth from asset advisory and corporate consultancy services are slow down as compared with previous years due to lack of optimism in the global economy and the volatile financial and capital market, we remain cautiously optimistic with respect to the steady demand for professional commercial services in the PRC, Taiwan, Hong Kong and Macau (together, the "Greater China"). As companies in Greater China, especially in the PRC, grow in corporate size and operational complexity and geographical diversification, the need for a leading professional advisor on asset value, procedures and regulations, as well as investment matching is expected to remain there. Based on our existing competitive advantages and market position in our core business segments, the continuing increase in and diversification of our client base and income source through horizontal acquisitions, our experienced professional teams and provision of convenient one-stop professional services, we are confident to address such challenges. Furthermore, based on our recent and proposed business acquisitions, we believe our client base and income source would be further diversified and increased. We will continue to capture market opportunities and enhance the quality and scope of our services in order to deliver sustainable growth in returns to our shareholders.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As disclosed in the announcement of the Company dated 8 September 2014, the Group has entered into a non-legally binding memorandum of understanding with an independent third party for a potential acquisition of a company which has a directly wholly-owned subsidiary licensed to carrying out type 1 (dealing in securities) regulated activity (as defined by the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")). As at the date of this report, the Group is still in the course of carrying the due diligence review and assessing this investment.

With the financial resources on hand, the Group will continue to actively seek for investment and business opportunities in relation to companies engaged in the financial services industry in Hong Kong, with a view to increase its profitability and ultimately maximise the return to the shareholders of the Company.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

On 28 August 2014, the Group completed the acquisition of 30% equity interests in Boxin Holdings Limited (“Boxin Holdings”), which holds the entire equity interests in a Hong Kong incorporated company, Boxin Bullion Company Limited (“Boxin Bullion”). Boxin Bullion holds a licence granted by The Chinese Gold and Silver Exchange Society for the operation of its business of trading and exchange of gold and/or silver and has been providing consultancy or agency services in Hong Kong. The consideration was settled by the allotment and issuance of 100,000,000 ordinary shares of the Company on the date of completion.

Save as disclosed above, the Group had no material acquisition or disposal of subsidiaries and affiliated companies during the six months ended 30 September 2014.

CAPITAL STRUCTURE

As at 30 September 2014, the Group’s operations were mainly financed by the shareholders’ equity.

On 25 August 2014, the Company completed an open offer and issued 252,320,000 offer shares at a subscription price of HK\$0.2 per offer share on the basis of one offer share for every two existing shares held on the record date. The net proceeds from the open offer, after deducting the underwriting commission and other related expenses, were approximately HK\$48.7 million. The Company intended to apply (i) approximately 10% of the net proceeds for the development of its existing business; (ii) approximately 80% of the net proceeds for investment opportunities as may be identified from time to time; and (iii) approximately 10% of the net proceeds for general working capital of the Group. As at 30 September 2014, HK\$5 million of the net proceeds has been used as a refundable deposit in relation to a proposed acquisition, details of which are set out in the announcement of the Company dated 8 September 2014; approximately HK\$1 million of the net proceeds has been used for general working capital of the Group; and the rest has been placed in bank and reserved for future potential investment opportunities of the Group.

On 2 September 2014, the Company issued 100,000,000 consideration shares at an issue price of HK\$0.39 per share for the acquisition of Boxin Holdings. For details, please refer to the section headed “Material acquisition or disposal of subsidiaries and affiliated companies” above.

Total equity attributable to owners of the Company amounted to approximately HK\$255.2 million as at 30 September 2014 (31 March 2014: approximately HK\$147.9 million). The increase was mainly due to the issue of new shares resulted from the open offer and the acquisition of Boxin Holdings during the six months ended 30 September 2014.

FOREIGN CURRENCY RISK

The majority of the Group's businesses is in Hong Kong and is denominated in Hong Kong dollars, Renminbi, and United States dollars. The Group is of the opinion that its exposure to foreign exchange rate risk is limited. The Group currently does not have a foreign currency hedging policy. However, the management monitors closely foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2014, the Group had bank and cash balances of approximately HK\$43.5 million (31 March 2014: HK\$4.0 million). As at 30 September 2014, the Group had net current assets of approximately HK\$182.7 million (31 March 2014: HK\$144.0 million). Current ratio as at 30 September 2014 was 16.2 (31 March 2014: 13.6).

The Group's operations and investments are financed principally by revenue generated from business operations, available bank balances and the net proceeds from the issue of new shares by way of the open offer completed during the period. As at 30 September 2014, the Group had no borrowing and a zero gearing ratio (31 March 2014: Nil), which is defined as net debt (total borrowings net of cash and bank balances) over total equity, is resulted.

CAPITAL EXPENDITURE

During the six months ended 30 September 2014, the Group invested approximately HK\$157,000 (six months ended 30 September 2013: HK\$76,000) for acquisition of plant and equipment.

CAPITAL COMMITMENTS

As at 30 September 2014, the Group did not have any significant capital commitments.

HUMAN RESOURCES

As at 30 September 2014, the Group employed 55 (31 March 2014: 61) full-time employees including management and administrative staff. The employees' remuneration, promotion and salary increments are assessed based on both individual's and Company's performance, professional and working experience and by reference to prevailing market practice and standards. The Group regards quality staff as one of the key factors to corporate success.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2014, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which would have: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (c) to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

(a) Long positions in the ordinary shares of HK\$0.01 each of the Company (the "Shares")

Name of Director	Nature of interest	Number of Shares held	Approximate percentage to the issued share capital
Mr. Ip Kwok Kwong ("Mr. Ip")	Interest in controlled corporations	310,850,000 (Note)	36.23%

Note: 310,850,000 Shares were held by Brilliant One Holdings Limited ("Brilliant One") which was wholly-owned by GCA Professional Services Group Limited ("GCA Professional"), formerly known as Genius Ideas International Ltd. GCA Professional was owned as to 51% by Smart Pick Investments Limited ("Smart Pick"). Smart Pick was owned as to 89.61% by GC Holdings Limited ("GC Holdings") which was wholly-owned by Mr. Ip, the executive Director and the managing director of the Company. By virtue of the SFO, Mr. Ip was deemed to have interests in all the Shares held by Brilliant One.

(b) Long positions in the shares of associated corporations

Name of Director	Name of associated corporations	Nature of interests	Number of shares held	Approximate percentage of interest in associated corporations
Mr. Ip (Note)	Brilliant One	Interest in controlled corporations	200	100%
Mr. Ip (Note)	GCA Professional	Interest in controlled corporations	5,100	51%
Mr. Ip (Note)	Smart Pick	Interest in controlled corporation	8,961	89.61%
Mr. Ip (Note)	GC Holdings	Beneficial owner	1	100%

Note: The Company was owned as to approximately 36.23% by Brilliant One. Brilliant One was wholly-owned by GCA Professional which was owned as to 51% by Smart Pick. Smart Pick was owned as to 89.61% by GC Holdings. GC Holdings was wholly-owned by Mr. Ip.

Save as disclosed above, as at 30 September 2014, none of the Directors or the chief executives of the Company had any interests or short positions in any shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to the GEM Listing Rules or to be entered in the register referred to in the SFO.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2014, the following persons/corporations (other than a Director or the chief executive of the Company) had interests or short positions in the Shares and the underlying Shares of the Company, which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO:

Long positions in the Shares

Name of shareholders	Nature of interests	Number of Shares held	Approximate percentage to the issued share capital
Brilliant One (Note 1)	Beneficial owner	310,850,000	36.23%
GCA Professional (Note 1)	Interest in controlled corporation	310,850,000	36.23%
Smart Pick (Note 1)	Interest in controlled corporations	310,850,000	36.23%
Easy Gain Development Limited ("Easy Gain") (Note 1)	Interest in controlled corporations	310,850,000	36.23%
GC Holdings (Note 1)	Interest in controlled corporations	310,850,000	36.23%
Mr. Wong Chi Keung ("Mr. Wong") (Note 1)	Interest in controlled corporations	310,850,000	36.23%
Ms. Cheung Siu Yin ("Ms. Cheung") (Note 2)	Beneficial owner	58,000,000	6.76%
Mr. Choi Kee Yuen ("Mr. Choi") (Note 2)	Family interest	58,000,000	6.76%

Notes:

- Brilliant One was wholly-owned by GCA Professional which was owned as to 51% by Smart Pick and 49% by Easy Gain. Smart Pick was owned as to 10.39% by Easy Gain and 89.61% by GC Holdings which was wholly-owned by Mr. Ip, the executive Director and the managing director of the Company. Easy Gain was wholly-owned by Mr. Wong. Therefore, under the SFO, GCA Professional, Smart Pick, Easy Gain and GC Holdings were deemed to be interested in all the Shares held by Brilliant One and Mr. Wong was deemed to be interested in all the Shares in which Easy Gain had interest or deemed interest.
- Mr. Choi is the husband of Ms. Cheung. Therefore, Mr. Choi is deemed to be interested in the Shares held by Ms. Cheung.

Save as disclosed above, as at 30 September 2014, the Company had not been notified by any parties (other than the Directors or the chief executive of the Company) who had 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 required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

INTERESTS OF OTHER PERSONS

As at 30 September 2014, other than the interests in the Shares of the Company and its associated corporations held by the Directors, the chief executives and the substantial shareholders of the Company stated above, there were no other persons with interests recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

To attract and retain the eligible persons, provide additional incentive to them and promote the success of the business of the Group, the Company conditionally approved and adopted a share option scheme (the "Scheme") by a resolution of the Company on 18 May 2011 whereby the Board was authorised to grant options (the "Options") to subscribe for the Shares to the eligible participants, including the Directors and employees, as defined in the Scheme. The Scheme is valid for a period of ten years commencing on the adoption date as defined in the Scheme.

A summary of the movements of the outstanding Options under the Scheme during the six months ended 30 September 2014 is as follows:

Eligible participants	Number of underlying Shares comprised in Options						Outstanding as at 30 September 2014	Exercise price per Share HK\$	Adjusted exercise price per Share HK\$ (Note 2)	Date of grant	Exercisable period
	Outstanding as at 1 April 2014	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	(Note 2)					
	Adjustments										
Directors											
Mr. Au-Yang Cheong Yan, Peter (Note 1)	200,000	-	-	(200,000)	-	-	0.20	N/A	6.1.2012	18.5.2012 – 17.5.2021 (both dates inclusive)	
Mr. Wu Chi Keung (Note 1)	200,000	-	-	(200,000)	-	-	0.20	N/A	6.1.2012	18.5.2012 – 17.5.2021 (both dates inclusive)	
Employees	2,390,000	190,900	-	(2,224,200)	-	-	0.20	0.1626	6.1.2012	a) One-third of the Option comprising 258,300 Shares is exercisable from 30.1.2012 to 17.5.2021, one-third of the Option is exercisable from 1.1.2013 to 17.5.2021 and the remaining one-third of the Option is exercisable from 1.1.2014 to 17.5.2021. b) One-half of the Option comprising 98,400 Shares is exercisable from 1.1.2013 to 17.5.2021 and the remaining one-half of the Option is exercisable from 1.1.2014 to 17.5.2021.	
Employees	450,000	-	-	(450,000)	-	-	0.20	N/A	6.1.2012	One-half of the Option is exercisable from 30.1.2012 to 17.5.2021 and the remaining one-half of the Option is exercisable from 1.1.2013 to 17.5.2021.	
Employees	330,000	27,600	-	357,600	-	-	0.20	0.1626	6.1.2012	One-third of the Option is exercisable from 1.7.2012 to 17.5.2021, one-third of the Option is exercisable from 1.1.2013 to 17.5.2021 and the remaining one-third of the Option is exercisable from 1.1.2014 to 17.5.2021.	

Number of underlying Shares comprised in Options											
Eligible participants	Outstanding as at 1 April 2014		Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding as at 30 September 2014	Exercise price per Share HK\$	Adjusted exercise price per Share HK\$	Date of grant	Exercisable period
	Adjustments	(Note 2)									
Employees	120,000	27,600	-	-	-	-	147,600	0.20	0.1626	6.1.2012	One-third of the Option is exercisable from 1.1.2013 to 17.5.2021, one-third of the Option is exercisable from 1.1.2014 to 17.5.2021 and the remaining one-third of the Option is exercisable from 1.1.2015 to 17.5.2021.
Employees	240,000	27,600	-	(120,000)	-	-	147,600	0.20	0.1626	6.1.2012	1.7.2012 – 17.5.2021 (both dates inclusive)
Employees	60,000	13,800	-	-	-	-	73,800	0.20	0.1626	6.1.2012	1.1.2013 – 17.5.2021 (both dates inclusive)
Employees	280,000	50,600	-	(183,000)	-	-	147,600	0.20	0.1626	6.1.2012	30.1.2012 – 17.5.2021 (both dates inclusive)
Employees	900,000	207,000	-	-	-	-	1,107,000	0.20	0.1626	6.1.2012	One-third of the Option is exercisable from 1.7.2013 to 17.5.2021, one-third of the Option is exercisable from 1.1.2014 to 17.5.2021 and the remaining one-third of the Option is exercisable from 1.1.2015 to 17.5.2021.
	<u>5,170,000</u>	<u>545,100</u>	<u>-</u>	<u>(3,734,800)</u>	<u>-</u>	<u>-</u>	<u>1,980,300</u>				

Notes:

- Mr. Au-Yang and Mr. Wu resigned as independent non-executive Directors with effect from 2 July 2014. Mr. Au-Yang and Mr. Wu exercised their share options granted under the Scheme at the exercise price of HK\$0.20 per Share on 30 June 2014.
- Pursuant to the Company's announcement dated 27 August 2014, the exercise price and the number of underlying Shares comprised in the outstanding share options have been adjusted as a result of the open offer with effect from 28 August 2014.
- The weighted average closing price of the Shares immediately before the dates on which the share options were exercised during the period was HK\$0.47.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, the changes in information of Directors subsequent to the date of the annual report of the Company for the year ended 31 March 2014 are set out below:

Name of Directors	Details of Changes
Mr. Au-Yang Cheong Yan, Peter	<ul style="list-style-type: none"> Resigned as an independent non-executive Director, Chairman of the Board, the chairman of nomination committee and a member of the audit committee and the remuneration committee of the Company on 2 July 2014
Mr. Wu Chi Keung	<ul style="list-style-type: none"> Resigned as an independent non-executive Director, the chairman of audit committee and the remuneration committee and a member of the nomination committee of the Company on 2 July 2014
Mr. Tso Ping Cheong, Brian	<ul style="list-style-type: none"> Appointed as an independent non-executive Director, Chairman of the Board, the chairman of audit committee and a member of the remuneration committee and the nomination committee of the Company on 2 July 2014 Appointed as authorised representative pursuant to Rule 5.24 of the GEM Listing Rules in replacement of Ms. Fung Mei Ling on 16 July 2014 Appointed as non-executive director of Kong Shum Union Property Management (Holding) Limited, a company listed on the GEM of the Stock Exchange (Stock Code: 8181), on 28 July 2014 Appointed as an independent non-executive director, chairman of nomination committee, a member of each of the audit committee and the remuneration committee of Larry Jewelry International Company Limited, a company listed on the GEM of the Stock Exchange (Stock Code: 8351), on 15 October 2014

Name of Directors**Details of Changes**

Mr. Yip Chung Wai, David

- Appointed as an independent non-executive Director, the chairman of nomination committee and a member of the audit committee and the remuneration committee of the Company on 2 July 2014

Ms. Ng See Wai, Rowena

- Appointed as chairman of remuneration committee of the Company on 2 July 2014

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors (the "Required Standard of Dealings"). The Company had made specific enquiry of the Director and all the Directors confirmed that they had complied with the Required Standard of Dealings during the six months ended 30 September 2014.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the six months ended 30 September 2014.

COMPETING INTERESTS

None of the Directors or the controlling shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) had any interest in the business that competed or might compete with the business of the Group during the six months ended 30 September 2014.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company did not redeem any of its Shares listed on GEM nor did the Company or any of its subsidiaries purchase or sell any of the Company's listed securities during the six months ended 30 September 2014.

CORPORATE GOVERNANCE

During the six months ended 30 September 2014, the Company complied with the code provisions as set out in the Corporate Governance Code (the “CG Code”) as contained in Appendix 15 to the GEM Listing Rules except for the following deviation:

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company does not at present have any officer with the title of chief executive officer (the “CEO”) but instead the duties of a CEO are performed by Mr. Ip Kwok Kwong, the executive Director and the managing director of the Company, in the same capacity as the CEO of the Company.

AUDIT COMMITTEE

The Group’s unaudited condensed consolidated results for the six months ended 30 September 2014 have been reviewed by the audit committee of the Company, which was of the opinion that such results had been prepared in compliance with the applicable accounting standards and that adequate disclosures had been made.

By order of the Board
GreaterChina Professional Services Limited
Ip Kwok Kwong
Executive Director

Hong Kong, 13 November 2014