

# 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)

The background image shows two men in business suits shaking hands on a rooftop terrace. The terrace has a glass railing on the left and a wooden deck. In the background, a city skyline is visible under a bright, hazy sky, with the Chrysler Building being a prominent feature. The scene is bathed in a warm, golden light, suggesting sunrise or sunset. The overall mood is professional and optimistic.

**2015**  
Interim Report

## CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE" AND THE "GEM", RESPECTIVELY)

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 the GEM mean that it is a market more suited to professional and other sophisticated investors.

**Given the emerging nature of companies listed on the GEM, there is a risk that securities traded on the 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 the GEM.**

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*This report, for which the directors of GreaterChina Professional Services Limited (the "Company" and the "Directors", respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (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](http://www.gca.com.hk).*

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## CORPORATE INFORMATION

### Board of Directors

#### **Executive Directors**

Mr. Ip Kwok Kwong (*Managing Director*)

Mr. Yip Chung Wai, David

Mr. Wu Di (redesigned from non-executive Director to executive Director on 20 July 2015)

#### **Non-executive Director**

Ms. Ma Lin (appointed on 17 April 2015)

#### **Independent Non-executive Directors**

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

Mr. Chu Siu Lun, Ivan

Mr. So Chung Shing

### Board Committees

#### **Audit Committee**

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

Mr. Chu Siu Lun, Ivan

Mr. So Chung Shing

#### **Remuneration Committee**

Mr. Chu Siu Lun, Ivan (*Chairman*)

Mr. Ip Kwok Kwong

Mr. So Chung Shing

Mr. Tso Ping Cheong, Brian

Mr. Yip Chung Wai, David

#### **Nomination Committee**

Mr. So Chung Shing (*Chairman*)

Mr. Chu Siu Lun, Ivan

Mr. Ip Kwok Kwong

Mr. Tso Ping Cheong, Brian

Mr. Yip Chung Wai, David

#### **Company Secretary**

Mr. Kwok Siu Man

#### **Compliance Officer**

Mr. Ip Kwok Kwong

#### **Authorised Representatives**

Mr. Ip Kwok Kwong

Mr. Tso Ping Cheong, Brian

### **Principal Bankers**

The Hongkong and Shanghai Banking Corporation Limited  
OCBC Wing Hang Bank Limited

### **Independent Auditor**

ZHONGHUI ANDA CPA Limited, *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**

Room 2703, 27th Floor  
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](http://www.gca.com.hk)

### **Stock Code**

8193

The board of Directors (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 2015, together with the relevant unaudited/audited comparative figures, as follows.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and six months ended 30 September 2015

	Notes	Three months ended 30 September		Six months ended 30 September	
		2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
<b>Revenue</b>	4 & 5	<b>11,572</b>	8,798	<b>21,148</b>	16,926
Cost of sales		<b>(5,740)</b>	(5,001)	<b>(9,863)</b>	(10,035)
<b>Gross profit</b>		<b>5,832</b>	3,797	<b>11,285</b>	6,891
Other income	5	<b>613</b>	1,515	<b>1,242</b>	2,181
Marketing, administrative and other operating expenses		<b>(20,079)</b>	(10,622)	<b>(33,370)</b>	(20,088)
Finance costs	6	<b>(2,655)</b>	(1)	<b>(5,283)</b>	(3)
Share of results of associates		<b>1,073</b>	(84)	<b>1,805</b>	(84)
<b>Loss before tax</b>	7	<b>(15,216)</b>	(5,395)	<b>(24,321)</b>	(11,103)
Income tax expense	8	<b>(160)</b>	–	<b>(511)</b>	–
<b>Loss for the period</b>		<b>(15,376)</b>	(5,395)	<b>(24,832)</b>	(11,103)
<b>Other comprehensive (expense)/ income, net of tax</b>					
<i>Items that may be subsequently reclassified to profit or loss:</i>					
Exchange differences arising on translating foreign operations		<b>(342)</b>	(5)	<b>(396)</b>	3
Change in fair value of available-for-sale financial assets		<b>(12,998)</b>	–	<b>(12,998)</b>	–
		<b>(13,340)</b>	(5)	<b>(13,394)</b>	3
<b>Total comprehensive expense for the period</b>		<b>(28,716)</b>	(5,400)	<b>(38,226)</b>	(11,100)

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
<b>Loss for the period attributable to:</b>				
Owners of the Company	(15,491)	(5,395)	(25,148)	(11,103)
Non-controlling interests	115	-	316	-
	<u>(15,376)</u>	<u>(5,395)</u>	<u>(24,832)</u>	<u>(11,103)</u>
<b>Total comprehensive expenses for the period attributable to:</b>				
Owners of the Company	(28,764)	(5,400)	(38,464)	(11,100)
Non-controlling interests	48	-	238	-
	<u>(28,716)</u>	<u>(5,400)</u>	<u>(38,226)</u>	<u>(11,100)</u>
	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>
<b>Loss per share</b>				
Basic and diluted	(1.81)	(0.72)	(2.93)	(1.63)

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2015

		30 September 2015	31 March 2015
	Notes	<b>HK\$'000</b> <b>(unaudited)</b>	<b>HK\$'000</b> <b>(audited)</b>
<b>Non-current assets</b>			
Property, plant and equipment	11	1,825	2,427
Goodwill		111,711	111,711
Investments in associates and a joint venture		49,569	42,900
Available-for-sale financial assets		9,671	2,241
Derivative financial asset		2,802	2,802
Deposit paid for acquisition of an associate		325	325
		<hr/> <b>175,903</b>	<hr/> 162,406
<b>Current assets</b>			
Trade receivables	12	20,170	20,382
Prepayments, deposits and other receivables		26,274	30,611
Financial assets at fair value through profit or loss		–	31,122
Derivative financial asset		185	185
Bank and cash balances		4,766	17,004
		<hr/> <b>51,395</b>	<hr/> 99,304
<b>Current liabilities</b>			
Trade payables	13	2,321	3,579
Accruals and other payables		11,139	14,318
Amount due to a director		150	150
Amounts due to related parties		1,388	1,647
Bank borrowings		1,581	1,644
Current tax liabilities		3,588	4,066
		<hr/> <b>20,167</b>	<hr/> 25,404
<b>Net current assets</b>		<hr/> <b>31,228</b>	<hr/> 73,900



		<b>30 September 2015</b>	31 March 2015
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(unaudited)</b>	(audited)
<b>Non-current liability</b>			
Promissory notes		<b>101,436</b>	96,217
<b>NET ASSETS</b>		<b>105,695</b>	140,089
<b>Capital and reserves</b>			
Share capital	14	<b>8,580</b>	8,580
Reserves		<b>95,477</b>	130,109
Equity attributable to owners of the Company		<b>104,057</b>	138,689
Non-controlling interests		<b>1,638</b>	1,400
<b>TOTAL EQUITY</b>		<b>105,695</b>	140,089

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2015

	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/ (Accumulated loss) HK\$'000	Share-based payment reserve HK\$'000	Available-for-sale reserve HK\$'000	Sub-total HK\$'000	Non-controlling interest HK\$'000	Total equity HK\$'000
<b>At 1 April 2015 (audited)</b>	<b>8,580</b>	<b>187,150</b>	<b>5,359</b>	<b>(69)</b>	<b>(62,459)</b>	<b>128</b>	<b>-</b>	<b>138,689</b>	<b>1,400</b>	<b>140,089</b>
Total comprehensive expense for the period	-	-	-	(318)	(25,148)	-	(12,998)	(38,464)	238	(38,226)
Recognition of share-based payments	-	-	-	-	-	3,832	-	3,832	-	3,832
<b>At 30 September 2015 (unaudited)</b>	<b>8,580</b>	<b>187,150</b>	<b>5,359</b>	<b>(387)</b>	<b>(87,607)</b>	<b>3,960</b>	<b>(12,998)</b>	<b>104,057</b>	<b>1,638</b>	<b>105,695</b>
<b>At 1 April 2014 (audited)</b>	<b>5,018</b>	<b>71,984</b>	<b>5,359</b>	<b>(52)</b>	<b>65,127</b>	<b>462</b>	<b>-</b>	<b>147,898</b>	<b>-</b>	<b>147,898</b>
Total comprehensive expense for the period	-	-	-	3	(11,103)	-	-	(11,100)	-	(11,100)
Shares issued pursuant to exercise of share options	38	1,004	-	-	-	(330)	-	712	-	712
Recognition of share-based payments	-	-	-	-	-	9	-	9	-	9
Issue of shares upon open offer	2,523	47,941	-	-	-	-	-	50,464	-	50,464
Issue of consideration shares	1,000	68,000	-	-	-	-	-	69,000	-	69,000
Share issue expense	-	(1,796)	-	-	-	-	-	(1,796)	-	(1,796)
<b>At 30 September 2014 (unaudited)</b>	<b>8,579</b>	<b>187,133</b>	<b>5,359</b>	<b>(49)</b>	<b>54,024</b>	<b>141</b>	<b>-</b>	<b>255,187</b>	<b>-</b>	<b>255,187</b>

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2015

	Six months ended 30 September 2015 HK\$'000 (unaudited)	Six months ended 30 September 2014 HK\$'000 (unaudited)
<b>Net cash generated from/(used in) operating activities:</b>		
Decrease/(increase) in financial asset at fair value through profit or loss	23,059	(26,805)
Other operating cash flows	(9,462)	16,885
	<u>13,597</u>	<u>(9,920)</u>
<b>Net cash used in investing activities:</b>		
Purchase of available-for-sale financial assets	(20,428)	–
Other investing cash flows	(5,111)	(155)
	<u>(25,539)</u>	<u>(155)</u>
<b>Net cash (used in)/generated from financing activities:</b>		
Net proceeds from open offer	–	48,668
Other financing cash flows	(259)	893
	<u>(259)</u>	<u>49,561</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(12,201)</b>	<b>39,486</b>
Cash and cash equivalents at beginning of period	17,004	4,024
Effect of foreign exchange rate changes	(37)	3
	<u>4,766</u>	<u>43,513</u>
<b>Cash and cash equivalents at end of period</b>	<b>4,766</b>	<b>43,513</b>

## NOTES TO THE UNAUDITED 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 ordinary shares of the Company of HK\$0.01 each (the "Shares") are listed on the GEM. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the address of its principal place of business is Room 2703, 27th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong. The Company is an investment holding company.

The unaudited condensed consolidated financial statements have been reviewed by the audit committee of the Company (the "Audit Committee"). It was approved and authorised for issue by the Board on 13 November 2015.

### 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements 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 the GEM Listing Rules.

The accounting policies and methods of computation used in preparing the unaudited condensed consolidated financial statements for the six months ended 30 September 2015 are the same as those followed in the preparation of the Group's audited consolidated financial statements for the year ended 31 March 2015, except for the new and revised Hong Kong Financial Reporting Standards ("HKFRSs", which also include HKASs and Interpretations) issued by HKICPA that are adopted for the first time for the current accounting period of the Group. The adoption of these new and revised HKFRSs has had no material effect on the amounts reported in these unaudited condensed consolidated financial statements and/or disclosures set out in these unaudited condensed consolidated financial statements. The Group has not early adopted any new HKFRSs that have been issued but are not yet effective.

### 3. FAIR VALUE MEASUREMENTS

Fair value estimates are made at a specific point in time and are based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

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 use a fair value hierarchy which has three levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

**Disclosures of level in fair value hierarchy at 30 September 2015:**

Description	Fair value measurement using:			Total 30 September 2015
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	HK\$'000
Available-for-sale financial assets:				
Listed securities in Hong Kong	7,430	–	–	7,430
Derivative financial asset	–	–	2,987	2,987
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**Disclosures of level in fair value hierarchy at 31 March 2015:**

Description	Fair value measurement using:			Total 31 March 2015
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	HK\$'000
Financial assets at fair value through profit or loss:				
Listed securities in Hong Kong	31,122	–	–	31,122
Derivative financial asset	–	–	2,987	2,987
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**Disclosures of valuation process used by the Group and valuation techniques and inputs used in fair value measurements:**

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and 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.

*Level 3 fair value measurements*

Description	Valuation technique and key inputs	Significant unobservable inputs
Profit guarantees	Discounted cash flow, future guarantee received are estimated based on the weighted average of all possible outcomes and discounted at a rate that reflects the weighted average cost of capital of the companies of 12.5% and 12.98%	Expected amount of the guarantee received estimated by the management of the Group (Note)

Note: If the expected amount of the guarantee received to the valuation model had been 5% increased/decreased while all other variables were held constant, the carrying amounts of derivative financial instrument would increase/decrease by approximately HK\$149,000.

**Reconciliation of assets measured at fair value based on level 3:**

<b>Description</b>	<b>Derivative financial asset HK\$'000</b>
At 1 April 2014	–
Addition	<b>3,530</b>
Net losses recognised in profit or loss (#)	<b>(543)</b>
	<hr/>
At 31 March and 30 September 2015	<b>2,987</b>
	<hr/> <hr/>
(#) Include losses for assets held at end of reporting period	<b>543</b>
	<hr/> <hr/>

During the six months ended 30 September 2015, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3.

Except for the unlisted equity securities of 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 unaudited condensed consolidated statement of financial position approximate their respective fair values.

**4. SEGMENT INFORMATION**

The Group's operating segments are identified on the basis of internal report about the components of the Group that are regularly received by the chief operating decision maker in order to allocate resources to segments and to assess their performance. The chief operating decision maker is the Directors.

The Group has four operating and reportable segments as follows:

— Asset advisory and asset appraisal

Provision of asset appraisal and asset advisory services, 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 (the "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, enterprise risk management services and management consultancy services

— Media advertising

Provision of media advertising business services through in-elevator poster frames network and liquid-crystal display displays network inside elevators or lift lobbies or middle to high-end residential community

— Financial services

Provision of financial credit services such as personal loans, commercial loans and mortgages to individuals and corporations, operation of trading and exchange of gold and/or silver and provision of consultancy or agency 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, fair value changes on financial assets at fair value through profit or loss and finance costs.

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

**Information about reportable segments for the six months ended 30 September 2015 and 2014 are as follows:**

	Asset advisory services and asset appraisal		Corporate services and consultancy		Media advertising		Financing services		Total	
	Six months ended		Six months ended		Six months ended		Six months ended		Six months ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	HKS'000 (unaudited)	HKS'000 (unaudited)	HKS'000 (unaudited)	HKS'000 (unaudited)	HKS'000 (unaudited)	HKS'000 (unaudited)	HKS'000 (unaudited)	HKS'000 (unaudited)	HKS'000 (unaudited)	HKS'000 (unaudited)
Revenue from external customers	<u>15,969</u>	<u>14,492</u>	<u>1,179</u>	<u>2,434</u>	<u>3,409</u>	<u>-</u>	<u>591</u>	<u>-</u>	<u>21,148</u>	<u>16,926</u>
Intersegment revenue	<u>-</u>	<u>-</u>	<u>1,578</u>	<u>1,578</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,578</u>	<u>1,578</u>
Segment (loss)/profit before finance costs and income tax expense	<u>(1,842)</u>	<u>2,070</u>	<u>(7,612)</u>	<u>(2,421)</u>	<u>2,138</u>	<u>-</u>	<u>792</u>	<u>(84)</u>	<u>(6,524)</u>	<u>(435)</u>
Fair value (loss)/gain on financial assets at fair value through profit or loss									<u>(8,063)</u>	<u>533</u>
unallocated corporate expenses, net									<u>(9,734)</u>	<u>(11,201)</u>
Loss before tax									<u>(24,321)</u>	<u>(11,103)</u>

## 5. REVENUE AND OTHER INCOME

The Group's revenue and other income are as follows:

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
<b>Revenue</b>				
Asset advisory and asset appraisal services income	9,353	7,064	15,969	14,492
Corporate services and consultancy income	473	1,734	1,179	2,434
Media advertising income	1,363	–	3,409	–
Loan interest income	383	–	591	–
	<u>11,572</u>	<u>8,798</u>	<u>21,148</u>	<u>16,926</u>
<b>Other income</b>				
Bank interest income	2	4	3	8
Reimbursement of out-of-pocket expenses	15	227	141	435
Sub-leasing income	459	455	918	909
Dividend income from financial asset at fair value through profit or loss	–	560	–	560
Others	137	269	180	269
	<u>613</u>	<u>1,515</u>	<u>1,242</u>	<u>2,181</u>

## 6. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Interest on bank borrowings	31	–	63	–
Interest on promissory notes	2,624	–	5,219	–
Others	–	1	1	3
	<u>2,655</u>	<u>1</u>	<u>5,283</u>	<u>3</u>



## 7. LOSS BEFORE TAX

The Group's loss before tax is stated after changing/(crediting) the following:

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Depreciation	166	166	469	330
Staff costs, including directors' remuneration and share-based payments	11,858	8,282	18,683	16,486
Fair value loss/(gain) on financial assets at fair value through profit or loss	4,687	(533)	8,063	(533)
Operating lease changes	3,138	2,048	5,466	4,227

## 8. INCOME TAX EXPENSE

	Three months ended 30 September		Six months ended 30 September	
	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Current tax				
— Corporate Income Tax in the PRC	160	—	511	—

No income tax has been provided for Hong Kong as there is no estimated assessable profit derived from Hong Kong for the three months and six months ended 30 September 2015 and 2014.

Tax charges on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretation and practices in respect thereof. The Corporate Income Tax rate applicable to subsidiaries registered in the PRC as 25%.

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

## 9. DIVIDENDS

The Board does not declare the payment of an interim dividend for the six months ended 30 September 2015 (six months ended 30 September 2014: Nil).

## 10. LOSS PER SHARE

### Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the period attributable to owners of the Company for the three months and six months ended 30 September 2015 of approximately HK\$15,491,000 (2014: HK\$5,395,000) and HK\$25,148,000, respectively (2014: HK\$11,103,000) and the weighted average number of ordinary shares for the three months and six months ended 30 September 2015 of 857,968,600 (three months and six months ended 30 September 2014: 745,320,971 and 681,815,296, respectively) in issue.

### Diluted loss per share

Diluted loss per share attributable to owners of the Company for the three months and six months ended 30 September 2015 is the same as the respective basic loss per share because all potential dilutive ordinary shares would decrease the loss per share, therefore, is anti-dilutive.

## 11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2015, the Group acquired plant and equipment at a cost of approximately HK\$17,000 (six months ended 30 September 2014: HK\$157,000).

## 12. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 7 to 30 days. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables in order to minimise credit risk. Over due balances are reviewed regularly by the senior management.

The aging analysis of the trade receivables, based on the invoice date, and net of allowance, is as follows:

	<b>As at 30 September 2015 HK\$'000 (unaudited)</b>	As at 31 March 2015 HK\$'000 (audited)
0 to 30 days	<b>2,770</b>	8,144
31 to 90 days	<b>2,728</b>	3,659
91 to 180 days	<b>8,335</b>	2,926
181 to 365 days	<b>2,787</b>	1,573
Over 365 days	<b>3,550</b>	4,080
	<hr/>	<hr/>
Total	<b>20,170</b>	20,382
	<hr/> <hr/>	<hr/> <hr/>

**13. TRADE PAYABLES**

The aging analysis of the trade payables is as follows:

	<b>As at 30 September 2015 HK\$'000 (unaudited)</b>	As at 31 March 2015 HK\$'000 (audited)
0 to 90 days	<b>2,321</b>	3,579

**14. SHARE CAPITAL**

	<b>Number of shares '000</b>	<b>Amount HK\$'000</b>
Authorised:		
Ordinary shares of HK\$0.01 each		
At 1 April 2014, 31 March 2015, 1 April 2015	2,000,000	20,000
Increase on 14 September 2015 (Note (a))	8,000,000	80,000
At 30 September 2015	<b>10,000,000</b>	<b>100,000</b>
Issued and fully paid:		
Ordinary shares of HK\$0.01		
At 1 April 2014 (audited)	501,840	5,018
Issue of shares on exercise of share options (Note (b))	3,809	39
Issue of shares upon open offer (Note (c))	252,320	2,523
Issue of consideration shares for the acquisition of an associate (Note (d))	100,000	1,000
At 31 March 2015 (audited) and 30 September 2015 (unaudited)	<b>857,969</b>	<b>8,580</b>

## Notes:

- (a) At an extraordinary general meeting of the Company held on 14 September 2015, the authorised share capital of the Company was increased from HK\$20,000,000 to HK\$100,000,000 by the creation of an additional 8,000,000,000 shares of HK\$0.01 each.
- (b) During the year ended 31 March 2015, 3,808,600 ordinary shares were issued at HK\$0.16 or HK\$0.2 per share, as a result of the exercise of share options of the Company.
- (c) On 25 August 2014, the Company completed the open offer in which 252,320,000 offer shares were issued on the basis of one offer shares for every two shares held by the qualifying shareholders after completion of the capital restructuring at the subscription price of HK\$0.2 per offer share with the par value of HK\$0.01 each. Accordingly, the Company's issued share capital was increased by approximately HK\$2,523,000 and its share premium account was increased by approximately HK\$47,941,000. The transaction costs related to the open offer was approximately HK\$1,796,000.
- (d) On 12 August 2014, the Company entered into the sales and purchase agreement pursuant to which the Company conditionally agreed to acquire the sales shares for a total consideration of HK\$39,000,000. The transaction was completed on 28 August 2014 and the premium on the issue of share, amounting to approximately HK\$68,000,000.

## 15. RELATED PARTIES TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the notes to the unaudited condensed consolidated financial statements, the Group had the following transactions with its related parties during the six months ended 30 September 2015 and 2014:

	Name of directors and related parties having beneficial interest in the transaction	Six months ended 30 September	
		2015 HK\$'000 (unaudited)	2014 HK\$'000 (unaudited)
Corporate services and consultancy income from related companies			
– Greater China Capital Limited	Mr. Ip Kwok Kwong and Mr. Wong Chi Keung	60	60
– SL Resources Limited	Mr. Ip Kwok Kwong and Mr. Wong Chi Keung	2	4
– Asia Pacific International Professional Managers Management Centre Limited	Asia Pacific International Professional Managers Holdings Limited	–	4

## 16. EVENTS AFTER THE REPORTING PERIOD

- (a) On 9 July 2015, the Company entered into: (i) a placing agreement with a placing agent (the "Placing Agent") whereby the Placing Agent had conditionally agreed to place, on a fully underwritten basis, a total of not less than six placees to subscribe for an aggregate of 2,600,000,000 new Shares at a price of HK\$0.10 each (the "Placing"); and (ii) a subscription agreement with a subscriber (the "Subscriber") whereby the Subscriber had conditionally agreed to subscribe for and the Company had conditionally agreed to allot and issue 1,400,000,000 new Shares at a price of HK\$0.10 each (the "Subscription").

On 15 October 2015, the Placing and the Subscription were completed, whereby an aggregate of 4,000,000,000 new Shares were allotted and issued by the Company pursuant to the terms and conditions of the placing agreement and subscription agreement. The net proceeds from the Placing and the Subscription (after deducting related placing commissions, professional fees and related expenses) are approximately HK\$395.1 million. Details of the Placing and the Subscription are disclosed in the announcements of the Company dated 10 July 2015, 14 September 2015, 30 September 2015, 15 October 2015 and the circular of the Company dated 27 August 2015.

- (b) On 22 July 2015, Zhong Nan Investments Limited ("Zhong Nan"), a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement in relation to an acquisition of additional 19% of the entire issued share capital (the "Acquisition") of Boxin Holdings Limited ("Boxin Holdings") from an independent third party (the "Vendor"). The total consideration for the Acquisition is HK\$34,000,000, which shall be satisfied by the Company issuing promissory notes to the Vendor at the date of completion. Completion of the Acquisition took place on 22 October 2015, and the Company's shareholding to the issued share capital of Boxin Holdings increased from 30% to 49%. Details of the Acquisition are set out in the Company's announcements dated 22 July 2015 and 22 October 2015.
- (c) As disclosed in the Company's announcement dated 20 October 2015, on 20 October 2015, Zhong Nan entered into a new non-legally binding memorandum of understanding (the "MOU") with an independent third party for a potential acquisition of not less than 30% and not more than 70% (the "Proposed Acquisition") of the entire issued share capital of IAM Group Inc. ("IAM"). IAM has a directly wholly-owned subsidiary, an entity which is licensed to carrying out type 1 (dealing in securities) regulated activity (as defined by the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO").

Pursuant to the MOU, the parties shall negotiate in good faith towards the other in ensuring that a formal agreement in relation to the Proposed Acquisition, be entered into on or before the date falling six months from the date of the MOU. As at the date of this report, no formed agreement was entered into in connection with the Proposed Acquisition.

- (d) On 23 October 2015, an aggregate principal amount of HK\$90 million promissory notes together with accrued interest thereon were settled from the net proceeds from the Placing and the Subscription. Details of such redemption are set out in the Company's announcement date 23 October 2015.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Group's business can be broadly categorised into four main sectors: (i) asset advisory services and asset appraisal, (ii) corporate services and consultancy, (iii) media advertising; and (iv) financing services.

#### Asset Advisory Services and Asset Appraisal

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.

#### Corporate Services and Consultancy

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.

#### Media Advertising

Alongside the Group's core business of provision of asset advisory services and asset appraisal, the Group commenced the media advertising business in the year ended 31 March 2015. A subsidiary of the Company is one of the community media promotion operators in Changshu, Jiangsu Province, the PRC. Media advertising income is generated mainly through its in-elevator poster frames network and liquid-crystal display displays network inside the elevators or lift lobbies of middle to high-end residential community.

## Financial Services

The Group commenced the provision of financial services in the year ended 31 March 2015 upon its acquisitions of associates and subsidiaries carrying money lending business and gold trading business. The Group provides financial credit services such as personal loans and commercial loans to individuals and corporations through a subsidiary of the Company, which operate as a licensed money lender regulated under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group also engaged in trading and exchange of gold and/or silver and provides consultancy or agency services in Hong Kong through a subsidiary of the Company, which holds a licence granted by The Chinese Gold and Silver Exchange Society for such operation.

### FINANCIAL REVIEW

The Group's revenue for the six months ended 30 September 2015 was approximately HK\$21.1 million (six months ended 30 September 2014: HK\$16.9 million), representing an increase of approximately 24.9% from that of 2014. The increase in the Group's revenue during the period was mainly due to the advertising income newly introduced to the Group since its commencement of media advertising business in November 2014.

The Group's cost of services for the six months ended 30 September 2015 was approximately HK\$9.9 million (six months ended 30 September 2014: HK\$10.0 million), representing a decrease of 1.0% from that of 2014.

The Group's marketing, administrative and other operating expenses for the six months ended 30 September 2015 was approximately HK\$33.4 million (six months ended 30 September 2014: HK\$20.1 million), representing an increase of approximately 66.2% from that of 2014. The increase was mainly attributable to the realised fair value loss on financial assets at fair value through profit or loss for listed securities in Hong Kong and the recognition of share-based payments arising from the grant of share options by the Company in August 2015.

The Group's finance costs for the six months ended 30 September 2015 amounted to approximately HK\$5.3 million (six months ended 30 September 2014: HK\$0.01 million). The significant increase was primarily due to the effective interest expense recognised on promissory notes issued by the Company in November 2014.

The loss for the period attributable to owners of the Company for the six months ended 30 September 2015 was approximately HK\$25.1 million (six months ended 30 September 2014: loss of HK\$11.1 million). The total comprehensive expense for the period attributable to owners of the Company for the six months ended 30 September 2015 amounted to approximately HK\$38.5 million (six months ended 30 September 2014: HK\$11.1 million). Save as the reasons mentioned above, the significant increase in the total comprehensive expense was also attributable to the unrealised fair value loss on available-for-sale financial assets for listed securities in Hong Kong of approximately HK\$13.0 million, being included in other comprehensive expense.

## PROSPECT

Looking ahead, the PRC continues to report a lower gross domestic product growth than before, implying challenges to our business. Although our revenue from asset advisory and corporate consultancy services are falling as compared with previous years due to the volatile financial and capital markets, 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, our experienced professional teams and provision of convenient one-stop professional services, we are confident to address such challenges.

Furthermore, based on our recent business acquisitions, with the expansion of our operations to the media advertising and financial businesses, we believe that our client base and income source would be further diversified and increased. With the financial resources on hand, we will continue to actively seek for investment and business opportunities in relation to companies engaged in the financial services industry in Hong Kong, in particular the money lending business and the securities brokerage business, with a view to achieve sustainable growth, increase profitability and ultimately maximise the return to our shareholders.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in note 16 to the unaudited condensed consolidated financial statements and in the circular of the Company dated 27 August 2015, the Group did not have other plans for material investments and capital assets.



## **MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES**

The Group had no material acquisition or disposal of subsidiaries and affiliated companies during the six months ended 30 September 2015.

## **SIGNIFICANT INVESTMENTS**

As at 30 September 2015, the Group did not hold any significant investments.

## **CHARGE ON GROUP ASSETS**

As at 30 September 2015, the Group did not have any charge on its assets.

## **CAPITAL STRUCTURE**

There was no change in the capital structure of the Group as at 30 September 2015 as compared with that as at 31 March 2015.

## **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 2015, the Group had cash and cash equivalents of approximately HK\$4.8 million (31 March 2015: approximately HK\$17.0 million). As at 30 September 2015, the Group had net current assets of approximately HK\$31.2 million (31 March 2015: approximately HK\$73.9 million). Current ratio as at 30 September 2015 was 2.5 (31 March 2015: 3.9).

As at 30 September 2015, the Group had total borrowings (comprising bank borrowings and promissory notes) of approximately HK\$103.0 million (31 March 2015: HK\$97.9 million) and a net gearing ratio of approximately 0.93 (31 March 2015: 0.58), which is defined as net debt (total borrowings net of cash and bank balances) over total equity, is resulted. The bank borrowings is denominated in Renminbi and carried average annual interest rate of 7% while the promissory notes is denominated in Hong Kong dollars and interest-bearing at 3% per annum.

## **CAPITAL COMMITMENTS**

As at 30 September 2015, the Group did not have any significant capital commitments.

## **CONTINGENT LIABILITIES**

The Group had no material contingent liabilities at 30 September 2015.

## **HUMAN RESOURCES**

As at 30 September 2015, the Group employed 60 (31 March 2015: 64) employees. Total staff costs (including Director's emoluments) for the six months ended 30 September 2015 were approximately HK\$18.7 million (six months ended 30 September 2014: HK\$16.5 million). Employees' remuneration, promotion and salary increments are assessed based on both individual's and Company's performance and individual's 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 EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2015, the interests and short positions of the Directors and the chief executive 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 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, an 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 2015, none of the Directors or the chief executive 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' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES**

As at 30 September 2015, 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, 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 issued Shares held	Approximate percentage to the issued Shares
Brilliant One (Note 1) (Note 3)	Beneficial owner	310,850,000	36.23%
GCA Professional (Note 1)	Interest in a 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%
Orient Time Investment Limited ("Orient Time") (Note 2)	Beneficial owner	44,040,000	5.13%
China Environmental Energy Investment Limited ("China Environmental") (Note 2)	Interest in a controlled corporation	44,040,000	5.13%
M Success Finance Limited ("M Success") (Note 3)	Having a security interest	310,850,000	36.23%
Roma Group Limited ("Roma Group") (Note 3)	Interest in controlled corporations	310,850,000	36.23%
Black Marble Securities Limited ("Black Marble") (Note 4)	Beneficial owner	2,600,000,000	53.52%
Lerado Group (Holding) Company Limited ("Lerado") (Note 4)	Interest in controlled corporations	2,600,000,000	53.52%
Red Honour Holdings Limited ("Red Honour") (Note 4)	Interest in a controlled corporation	2,600,000,000	53.52%

Name of shareholders	Nature of interests	Number of issued Shares held	Approximate percentage to the issued Shares
Laberie Holdings Limited ("Laberie") (Note 5)	Beneficial owner	1,400,000,000	28.82%
SEEC Media Group Limited ("SEEC Media") (Note 5)	Interest in a controlled corporation	1,400,000,000	28.82%

Notes:

1. 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 which was wholly-owned by Mr. Wong and 89.61% by GC Holdings which was wholly-owned by Mr. Ip, an executive Director and the managing Director. 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.
2. Orient Time was wholly-owned by China Environmental. By virtue of the SFO, China Environmental was deemed to be interested in all the shares held by Orient Time.
3. On 8 July 2015, 310,850,000 Shares held by Brilliant One were pledged to M Success, which was wholly-owned by Ascendant Success Limited. Ascendant Success Limited was wholly-owned by United Brilliant Limited, which was wholly-owned by Roma Group.
4. On 9 July 2015, the Company and Black Marble entered into a placing agreement, pursuant to which Black Marble had conditionally agreed to place, on a fully underwritten basis, to a total of net less than six places to subscribe for an aggregate of 2,600,000,000 Shares. Black Marble was wholly-owned by Red Honour which was wholly owned by Lerado. By virtue of the SFO, Black Marble, Red Honour and Lerado had interests in the underlying Shares on 9 July 2015. The Placing was completed on 15 October 2015. The percentage of shareholding as at 30 September 2015 was calculated on the assumption that the Company's total number of issued Shares had been enlarged by the Placing and the Subscription to 4,857,968,600.
5. On 9 July 2015, the Company entered into a subscription agreement with Laberie, pursuant to which Laberie had conditionally agreed to subscribe for 1,400,000,000 new Shares. Laberie was wholly-owned by SEEC Media. By virtue of the SFO, Laberie and SEEC Media had interests in the underlying Shares on 9 July 2015. The Subscription was completed on 15 October 2015. The percentage of shareholding as at 30 September 2015 was calculated on the assumption that the Company's total number of issued Shares had been enlarged by the Placing and the Subscription to 4,857,968,600.

Save as disclosed above, as at 30 September 2015, the Company had not been notified by any parties (other than a Director or the chief executive of the Company) who had interests or short positions in the Shares or underlying Shares, 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.

## 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 became effective on 18 May 2011 is valid for a period of ten years therefrom.

A summary of the movements of the outstanding Options under the Scheme during the six months ended 30 September 2015 is as follows:

Eligible participants	Number of underlying Shares comprised in Options					Outstanding as at 30 September 2015	Exercise price per Share HK\$	Adjusted exercise price per Share HK\$ (Note)	Date of grant	Exercisable period
	Outstanding as at 1 April 2015	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period					
<b>Directors</b>										
Mr. Yip Chung Wai, David	-	8,575,000	-	-	-	8,575,000	0.367	N/A	27.8.2015	27.8.2015 - 26.8.2018 (both dates inclusive)
Mr. Wu Di	-	8,575,000	-	-	-	8,575,000	0.367	N/A	27.8.2015	27.8.2015 - 26.8.2018 (both dates inclusive)
<b>Employees</b>	356,700	-	-	-	-	356,700	0.20	0.1626	6.1.2012	a) One-third of the 258,300 Option 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 98,400 Option 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.
<b>Employees</b>	147,600	-	-	-	-	147,600	0.20	0.1626	6.1.2012	1.7.2012 - 17.5.2021 (both dates inclusive)
<b>Employees</b>	73,800	-	-	-	-	73,800	0.20	0.1626	6.1.2012	30.1.2012 - 17.5.2021 (both dates inclusive)
<b>Employees</b>	1,107,000	-	-	-	-	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.
<b>Employees</b>	-	8,575,000	-	-	-	8,575,000	0.367	N/A	27.8.2015	27.8.2015 - 26.8.2018 (both dates inclusive)
<b>Employees</b>	-	845,000	-	-	-	845,000	0.367	N/A	27.8.2015	27.8.2016 - 26.8.2018 (both dates inclusive)
	<u>1,685,100</u>	<u>26,570,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,255,100</u>				

Note: Pursuant to the Company's announcement dated 27 August 2014, the exercise price and the number of underlying Shares comprised in the outstanding Options have been adjusted as a result of the open offer with effect from 28 August 2014.

## **CHANGES IN INFORMATION OF DIRECTORS**

Mr. Wu Di was redesignated from a non-executive Director to an executive Director on 20 July 2015.

## **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 a specific enquiry with the Directors and all the relevant Directors confirmed that they had complied with the Required Standard of Dealings during the six months ended 30 September 2015.

## **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 2015.

## **DIRECTORS' INTERESTS IN COMPETING BUSINESS**

To the best of the Directors' knowledge, none of the Directors, the controlling shareholders or substantial 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 may compete with the business of the Group during the six months ended 30 September 2015.

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

The Company did not redeem any of its Shares listed on the GEM nor did the Company or any of its subsidiaries purchase or sell any of such Shares during the six months ended 30 September 2015.



## CORPORATE GOVERNANCE

During the six months ended 30 September 2015, 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 E.1.2, chairman of the Board (the “Chairman”) should attend the annual general meeting. The Chairman, Mr. Tso Ping Cheong, Brian was not able to attend the annual general meeting of the Company held on 2 September 2015 owing to other commitment. The executive Directors and a member of the audit committee, nomination committee and remuneration committee of the Company were present thereat to be available to answer any questions from the shareholders.

## AUDIT COMMITTEE

The Group’s unaudited condensed consolidated financial statements for the six months ended 30 September 2015 have been reviewed by the Audit Committee, which was of the opinion that such results had been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, 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 2015