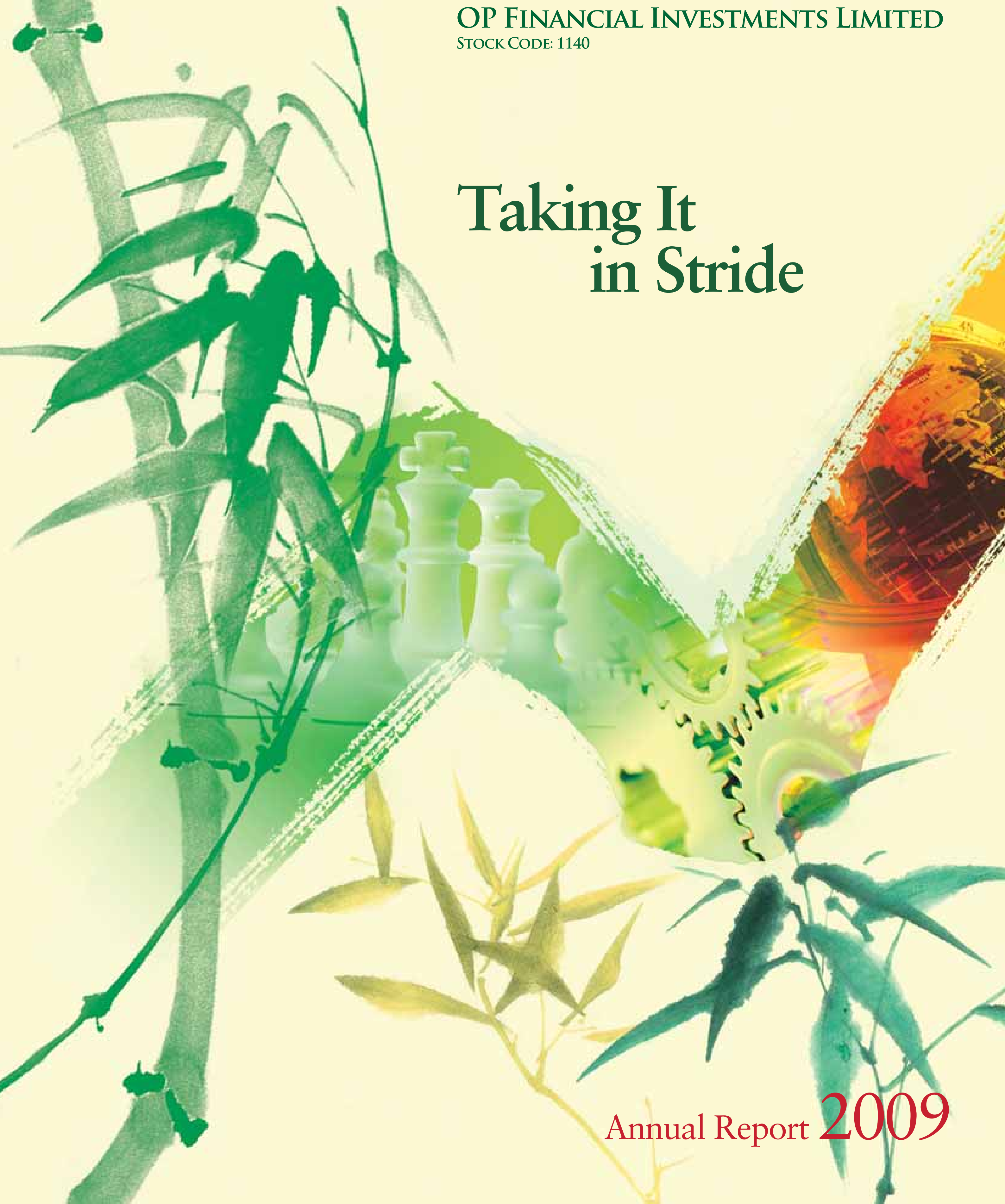
東英 ORIENTAL PATRON

OP FINANCIAL INVESTMENTS LIMITED

STOCK CODE: 1140

Taking It in Stride



Annual Report 2009

Contents

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. ZHANG Zhi Ping *(Chairman)*
Mr. ZHANG Gaobo *(Chief Executive Officer)*

Non-executive Director

Mr. LIU Hongru

Independent Non-executive Directors

Mr. KWONG Che Keung, Gordon
Prof. HE Jia
Mr. WANG Xiaojun

AUDIT COMMITTEE

Mr. KWONG Che Keung, Gordon *(Chairman)*
Prof. HE Jia
Mr. WANG Xiaojun

REMUNERATION COMMITTEE

Mr. WANG Xiaojun *(Chairman)*
Prof. HE Jia
Mr. KWONG Che Keung, Gordon

AUTHORISED REPRESENTATIVES

Mr. ZHANG Gaobo
Ms. TAM Yuen Wah

COMPANY SECRETARY

Ms. TAM Yuen Wah

INVESTMENT MANAGER

Oriental Patron Fund Management

LEGAL ADVISERS

Chiu & Partners

AUDITORS

RSM Nelson Wheeler

PRINCIPAL REGISTRARS

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

BRANCH REGISTRARS

Tricor Abacus Limited
26/F., Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

REGISTERED OFFICE

P.O. Box 309GT
Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands

PRINCIPAL PLACE OF BUSINESS

27/F, Two Exchange Square
8 Connaught Place
Central
Hong Kong

PRINCIPAL BANKER

Standard Chartered Bank
Industrial and Commercial Bank of China (Asia) Limited

CUSTODIAN

Standard Chartered Bank

STOCK CODE

The Stock Exchange of Hong Kong Limited
Code: 1140

WEBSITE

www.opfin.com.hk

Chairman's Statement

In the financial year ended 31 March 2009, OP Financial Investments Limited ("OP Financial" or the "Company") was subjected to grave tests, the same facing economies and financial markets around the world. The financial meltdown quickly spread across the world sending capital markets into the slump, corporate giants tumbling, stock markets on roller coaster ride and unemployment rate through the roof, and the list goes on.

To OP Financial, this unprecedented global depression is a challenge, but also represents opportunities. We see and will pay close attention to the following trends. Firstly, the international financial sector will be restructured, which will open a sizeable market for OP Financial to achieve rapid development. Secondly, in coping with the looming financial crisis, governments across the world in concert have injected huge amounts of cash into the market. These immediate injections will brace economies and lead potentially to "hyper-inflation" in time. For OP Financial, however, with capital strengths will acquire quality mass market commodities, such as coal and oil to reap profits amid inflation. Thirdly, China is among countries the least affected by the global financial crisis and hence the quickest to rebound when the market starts to revive. OP Financial will fully apply its function as a bridge to facilitate Chinese capital tap international investment opportunities and it will also keep seeking high growth investment opportunities in China.

Taking the above developments into consideration, OP Financial will adhere to its "two-pronged" investment approach. It will strive to build a financial service platform that can bring steady fee-based income. In this regard, the Company interested in, CSOP Asset Management Limited, which commenced operation with assets worth a total of approximately HK$5.25 billion under its management. And OP Calypso Capital Limited which has been constantly developing new products for the Company's asset management platform and flexible in adjusting its investment strategies to achieve positive returns for the funds it manages.

The other emphasis of OP Financial will be to continue to apply its unique "PEIB Investment Approach", which combined strength of its capital and investment banking expertise, to seize investment opportunities in the market, with the ultimate goal of generating lucrative returns for shareholders. Last year, OP Financial decisively co-invested in Kaisun Energy Group Limited (formerly known as Challenger Group Holdings Limited) and subsequently helped it enter a new phase of development.

Furthermore, OP Financial is focusing its eyes on the Russian and Central Asian markets where energy resources are abundant and growth potential is high. At its persistent efforts for over a year, OP Financial has established a well-organized network in Russia, Kazakhstan and Kyrgyzstan, and after in-depth research and intensive negotiations, a number of promising projects have been identified. OP Financial intends to draw on its own capital as well as leverage larger investment institutions to participate in those projects, with the aim of bringing the best returns to all parties involved. Meanwhile, in China, the Company has also accumulated a number of investment projects under screening and due diligence. We are looking forward to seizing some of these projects in the coming year. *(Details of investments during the period are set out in the "Investment Review" section of this annual report)*

It is the firm belief in unity and innovation that breeds and grows OP Financial. On behalf of the Board, I would like to extend sincere gratitude to staff at all levels for their contribution in the previous year.

When the going gets tough, the tough gets going. That's us.

Management Discussion and Analysis

On behalf of the board of directors (the "Board"), I would like to present to the shareholders the consolidated results of OP Financial Investments Limited (the "Company") and its subsidiaries (the "Group") for the financial year ended 31 March 2009 (the "Year").

INVESTMENT REVIEW

The Group has made the following significant investments during the Year based on the investment focus on financial sectors and the Private Equity and Investment Banking or PEIB Investment Approach adopted in second half of financial year ended 31 March 2008:

Asset management companies

In July 2008, the Group established CSOP Asset Management Limited ("CSOP"), an asset management joint venture in Hong Kong, with China Southern Fund Management Co., Ltd ("CSFM"). CSFM is a leading fund management company in China and has assets under its management of approximately RMB13 billion which include a Qualified Domestic Institutional Investor ("QDII") fund, namely China Southern Global Dynamic Allocation Fund ("CSGDA Fund"). The CSGDA Fund was approved by the Chinese Securities Regulatory Commission in September 2007 and was the first QDII equity fund launched in China. The Group owns 30% of issued capital of CSOP.

In August 2008, the Group also completed its acquisition of 30% issued ordinary share capital in and the 100% non-voting preference shares of OP Calypso Capital Limited and OP Calypso Capital (Cayman) Limited (collectively "OP Calypso Capital Group").

In additional to the 29.90% equity investment in Guotai Junan Fund Management Limited acquired in the year ended 31 March 2008, the Group currently has strategic position in three asset management companies. The Board believes these asset management companies can serve as platforms for managing foreign investments into China as well as managing foreign investments by Chinese domestic investors which enable asset management companies to capitalise the continuous benefits from managing the expected massive flow of investment capital in and out of China.

Investment funds

As a common practice for the investment management industry, the investment manager and/or its shareholders may sometimes put seed capital into its investment funds in order to facilitate the launch of products. The purpose of seed capital is to incubate and ensure that investment funds can have a reasonable starting fund size to operate and to build their track record. For this purpose, the Group has invested in two investment funds managing by OP Calypso Capital Group.

PEIB Investment Approach

Capitalising extensive investment banking experience and network of the Directors and the Group's investment manager, the Group has led an investment syndicate to co-invest in convertible bonds and shares of Kaisun Energy Group Limited (formerly known as Challenger Group Holding Limited) ("Kaisun") through a private placement. Kaisun is a company listed on the Growth Enterprise Market whose principal activities is the coal beneficiation and the processing of coking coal and coke and their related coal by-products in Inner Mongolia, China. Under the PEIB Investment Approach, the Group not only contribute monetary capital but also its knowledge capital in leading the managing investment process from identifying, structuring, executing and exiting the investment. Such unique role often allows the Group to command an additional share of return from the investment syndicate thus enables the Group's return to extend beyond its relative monetary capital contribution provided in co-investment.

Management Discussion and Analysis

INVESTMENT REVIEW *(continued)*

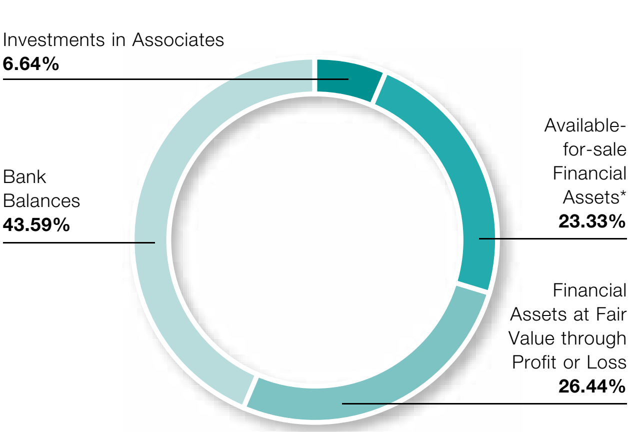
Analysis of investments held

As at 31 March 2009, the Group held financial assets and investments (exclusive of prepayments and receivables) totalling HK$898.63 million (31 March 2008: HK$757.47 million) comprising:

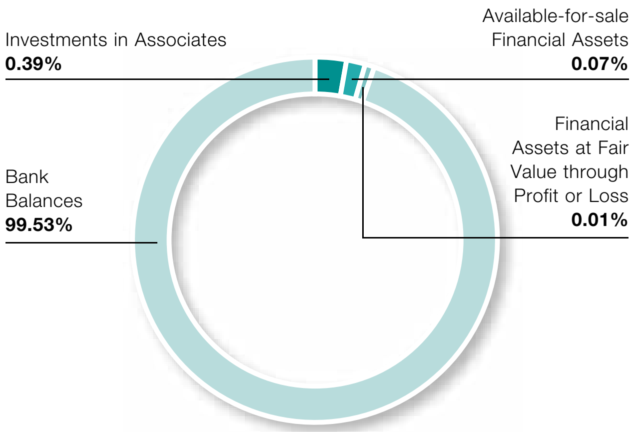
	31 March 2009 HK$	31 March 2008 HK$
Investments in associates	**59,651,854**	2,990,000
Available-for-sale financial assets	**209,635,871**	556,930
Financial assets at fair value through profit or loss	**237,579,680**	9,000
Bank balances	**391,759,568**	753,912,110
	898,626,973	757,468,040

FINANCIAL ASSETS AND INVESTMENTS†

31 March 2009 Audited Consolidated Balance Sheet



31 March 2008 Audited Consolidated Balance Sheet



† Exclusive of prepayments and receivables
* Includes co-investment in Kaisun held via a special investment vehicle

Management Discussion and Analysis

FINANCIAL REVIEW

Financial position

Net asset value: The Group's net assets as at 31 March 2009 has increased by 18.51% to HK$886.77 million (31 March 2008: 748.28 million) while the net asset value on a per share basis has increased by 5.61% to HK$1.13 (31 March 2008: HK$1.07). The increase in the net assets for the Year was mainly resulting from the appreciation of fair value from (i) the Group's attributable interests in the bonds and shares of Kaisun acquired in June 2008 amounted to HK$34.66 million; (ii) the fair value gain of the Group's interests in OP Calypso Capital Group amounted to HK$6.80 million; and (iii) the net proceeds of HK$116.71 million from placing of 78,500,000 shares at the price of HK$1.50 per share to Primus Pacific Partners Investments 2 Limited less the consolidated net loss for the Year of HK$25.62 million.

Net current assets: The Group had net current assets of HK$621.22 million (31 March 2008: HK$744.73 million) and no borrowings as at 31 March 2009, which positions the Group advantageously to pursue its investment strategies and new investment opportunities.

Gearing: The gearing ratio, which was calculated on the basis of total liabilities over total equity as at 31 March 2009, was 0.02 (31 March 2008: 0.02).

Property, plant and equipment: The purchase of additional office equipment and furniture and fixtures of HK$0.20 million was to cope with the additional personnel and the increase in rental floor areas during the Year.

Investments in associates: The increase in investments in associates to HK$59.65 million as at 31 March 2009 (31 March 2008: HK$2.99 million) represents the two new investments made by the Group in OP Calypso Capital Group and CSOP and the share of net results of the three asset management companies for the Year.

Available-for-sale financial assets: The significant increase in available-for-sale financial assets to HK$209.64 million (31 March 2008: HK$0.56 million) represents the co-investment made in OP Calypso Capital Group and Kaisin and the fair value appreciation at the reporting date.

Financial assets at fair value through profit or loss: The significant increase in financial assets at fair value through profit or loss held at the reporting date to HK$237.58 million (31 March 2008: HK$0.009 million) was mainly resulting from the investment in the two investment funds.

Dividend and interest receivables: This mainly represents interest receivables from bank balances. The decrease in the dividend and interest receivables to HK$0.32 million (31 March 2008: HK$1.97 million) was resulted from the significant drop in bank deposit rates during the Year.

Tax recoverable: This represents recoverable of provisional tax payment for the year ended 31 March 2008.

Bank balances: As at 31 March 2009, the Group had bank balances of HK$391.76 million (31 March 2008: HK$753.91 million). The decrease in bank balances was mainly resulted from the utilisation of funds for the four major unlisted investments made for cash during the year and net of the share proceeds received from the issue of 78.50 million shares in December 2008.

Other financial liabilities: This represents fair value of the additional consideration share options of 20 million shares which (subject to the achievement of certain vesting conditions as described in the announcement of the Company dated 26 June 2008) are issuable after 31 March 2009 in connection with investment in OP Calypso Capital Group.

Management Discussion and Analysis

FINANCIAL REVIEW *(continued)*

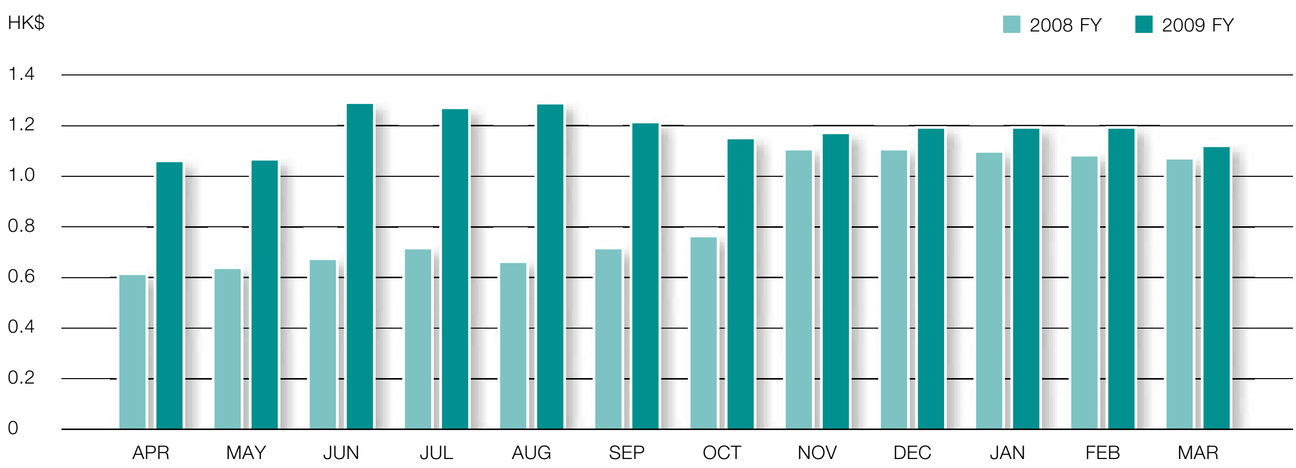
Results

The Group reports a net loss for the Year of HK$25.62 million comparing to a net loss of HK$16.78 million for the corresponding year.

The reported net loss of HK$25.62 million was mainly attributable to a change of investment focus of the Group from trading focus of listed financial assets in the corresponding period to investment of strategic listed or unlisted financial assets with a much longer horizon. The investment of these strategic financial assets is classified as "Available-for-sale financial assets" in the Group's financial statements. Under the applicable financial reporting standards, any gains or losses arising from changes in fair value of "Available-for-sale financial assets" are recognised directly in equity until investments are disposed of or are determined to be impaired, at which time the cumulative gains or losses previous recognised in equity are recognised in the income statement. As such, the aggregated gains of HK$41.46 million from the appreciation of the fair value of such investments for the Year was not reflected in the income statement despite the related administrative expenses incurred to support and maintain such available-for-sale financial assets (e.g. staff costs and management fee) was recognised in the income statement thus resulting a net loss position.

Given the nature of the Group being an investment company, shareholders should not solely rely on the income statement in assessing the performance of the Group but also look to the Company's net asset value per share (published on a monthly basis) which provides a better overall indicator of the Group operating performance for the Year.

NET ASSETS VALUE PER SHARE



Income Statement

Turnover: Turnover comprises interest income and dividends from investments. The decrease in turnover to HK$7.66 million (2008: HK$9.46 million) was mainly due to the significant drop in bank deposit rates during the Year despite the Group had a higher average bank balances as comparing to the correspondence period.

Net (loss)/gain on financial assets at fair value through profit or loss: The net loss on financial assets at fair value through profit or loss was arisen mainly from unrealised loss on the unlisted investment funds.

Management Discussion and Analysis

FINANCIAL REVIEW *(continued)*

Income Statement *(continued)*

Fair value gain on other financial liabilities: This represents the decrease in fair value of the financial liabilities incurred for the contingent consideration payable by way of additional 4.5 million consideration shares and consideration option for 20 million shares in connection with the investment in OP Calypso Capital Group.

Administrative expenses: The administrative expenses represent mainly staff costs, management fee to investment management, rental expenses and overhead costs incurred to maintain and support the operations of the Group. The increase of expenses to HK$30.91 million (2008: HK$24.82 million) was mainly due to increase in (i) staff costs to HK$7.84 million (2008: HK$1.87 million (exclusive of equity-settled share-based payments)) resulting from the increase in headcount; and (ii) rental expenses to HK$0.87 million (2008: HK$0.11 million). Such increase was in line with the significant increase in the average net asset value of the Group over the corresponding period.

Share of results of associates: This represents the net amount of the share of losses incurred by three associates which amounted to HK$4.81 million (2008: HK$Nil). Subsequent to the year end date, two asset management joint ventures have been awarded with management/advisory contract with assets size of approximately HK$5,430 million.

LIQUIDITY AND FINANCIAL RESOURCES

Interest income from bank deposits and dividend income from investment held are currently the Group's major source of revenue.

During the Year, the Group's balance sheet and cashflow remain strong. As at 31 March 2009, the Group had bank balances of HK$391.76 million.

The Group had no bank borrowings and did not pledge any assets as collateral for overdrafts or other loan facilities during the period under review. The debt-to-equity ratio (interest bearing external borrowings divided by shareholders' equity) stood at zero while the current ratio (current assets divided by current liabilities) was 61 times. For further analysis of the Group's cash position, net current assets and gearing, please refer to paragraphs under sub-sections headed "*Financial position*" above.

The Board believes that the Group has sufficient financial resources to satisfy its immediate investments and working capital requirements.

CAPITAL STRUCTURE

In December 2008, the Company issued 78,500,000 new ordinary shares of HK$0.10 each at an issue price of HK$1.50 per share to Primus Pacific Partners Investments 2 Ltd pursuant to the general mandate granted to the Board by resolution of the shareholders passed at the annual general meeting of the Company held on 29 August 2008.

The issue price of HK$1.50 per share represents a premium of about 111 % to the last closing price of HK$0.71 per share prior to the date of the relevant subscription agreement.

The issue of 78,500,000 new shares represents (i) an ideal opportunity to raise capital for the Company while broadening its shareholder base and the capital base; and (ii) Primus Pacific Partners Investments 2 Ltd may bring in future co-investment opportunities in financial services sector for the Group.

After the deduction of the related expenses, the net issue price of HK$1.49 per share for the issue of 78,500,000 new shares raised net proceeds of approximately HK$116.71 million which will be applied to finance future investments opportunities.

As at 31 March 2009, the Group's shareholders' equity and total number of shares in issue for the Company stood at HK$886.77 million and 784.50 million, respectively.

Management Discussion and Analysis

INVESTMENT PORTFOLIO

Please refer to the paragraphs under the sub-section headed "*Analysis of investments held*" above.

EMPLOYEES

During the Year, the Group had 10 (2008: 8) employees, inclusive of the two executive directors. Total staff costs for the Year amounted to HK$7.84 million (2008: HK$9.04 million). The Group's remuneration policies are in line with the market practice and are determined on the basis of the performance and experience of individual employee.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's assets and liabilities are denominated in Hong Kong Dollars or United States Dollars and, therefore, the Group had no significant exposure to foreign exchange fluctuations.

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

As at 31 March 2009, there were no charges on the Group's assets and the Group did not have any significant contingent liabilities.

APPRECIATION

On behalf of the Board, I would like to thank all our shareholders for their continued trust and support and the investment manager for their dedicated efforts.

ZHANG ZHI PING
Executive Director

Hong Kong SAR, 21 July 2009

Biographical Details of Directors and Senior Management

Brief biographical details of directors and senior management are stated below:

DIRECTOR

Executive Directors

Mr. ZHANG Zhi Ping, aged 53, was appointed as an executive director and chairman of the Company in February 2003. Mr. Zhang is the chairman of Oriental Patron Financial Group and is responsible for formulating the investment strategies, monitoring the investment performance and approving investment decisions. Mr. Zhang obtained a bachelor's degree in Arts from Heilongjiang University in 1982 and later graduated from 中國人民銀行研究生部 (Graduate School of the People's Bank of China ("PBOC")) and obtained a master's degree in Economics. Mr. Zhang has over 20 years of experience in the PRC and international financial markets and held senior positions in a number of institutions. From December 1984 to February 1989, Mr. Zhang was a deputy division chief in 金融管理司 (Financial Administration Department) of the PBOC and was responsible for the supervision of financial markets in the PRC. From February 1989 to March 1993, Mr. Zhang was the chairman and general manager of Hainan Provincial Securities Company and the inaugural director of the Securities Society of China. Since the inception of China Securities Regulatory Commission ("CSRC") in April 1993, Mr. Zhang was the inaugural director of 證券機構監管部 (Department of Intermediary Supervision) and a member of the listing committee of the Shanghai Stock Exchange until May 1996. During the periods from May 1992 to March 1993 and from June 1996 to February 2001, Mr. Zhang was the chairman of the investment committee of Hainan Fudao Investment Management Company which manages Hainan Fudao Investment Fund.

Mr. ZHANG Gaobo, aged 44, was appointed as an executive director and chief executive officer of the Company in February 2003. Mr. Zhang is a partner and CEO of Oriental Patron Financial Group and is responsible for formulating the investment strategies, monitoring the investment performance and approving investment decisions. Mr. Zhang obtained a bachelor's degree in Science from Henan University in 1985 and later graduated from the Peking University with a master's degree in Economics in 1988. From February 1988 to February 1991, Mr. Zhang was a deputy chief of the 海南省政府政策處 (Policy Division of Hainan Provincial Government). During his tenure with Hainan Provincial Government, he was responsible for drafting of economic policies for Hainan Provincial Government. From March 1991 to 1993, Mr. Zhang was deputy chief of 金融市場管理委員會 (Financial Markets Administration Committee) of PBOC Hainan Branch and was responsible for the regulation of financial markets in Hainan Province. From January 1992 to 1994, Mr. Zhang was chairman of 海南證券交易中心 (Hainan Stock Exchange Centre) and had the overall responsibility for the operation of Hainan Stock Exchange Centre. Mr. Zhang is also an independent non-executive director of Beijing Enterprises Water Group Limited, a company listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and a non-executive director of Vimetco N.V., a company listed on the London Stock Exchange.

Non-executive Director

Mr. LIU Hongru, aged 78, was appointed as a non-executive director in February 2003. He is also the honourable chairman of Oriental Patron Financial Group. Mr. Liu graduated from the Economics Department of the University of Moscow in 1959 with an associate doctor's degree. Mr. Liu worked as the president of China Institute of Finance and Banking, a vice governor of the Agricultural Bank of China and PBOC, a deputy director of the State Economic Restructuring Committee, and the chairman of the CSRC. Mr. Liu is currently the chairman of Capital Market Research Institute and a professor at the Peking University, the Tsinghua University, the Postgraduate School of the PBOC and the City University of Hong Kong. Mr. Liu is currently serves as an independent non-executive director of Petrochina Company Limited, a company listed on the Stock Exchange.

Independent Non-executive Directors

Mr. KWONG Che Keung, Gordon, aged 59, has been an independent non-executive Director and the chairman of the audit committee of the Company since February 2003. Mr. Kwong has also been serving as a member of the remuneration committee of the Company since April 2005. He is also an independent non-executive director of a number of companies listed on the Stock Exchange, namely COSCO International Holdings Limited, Tianjin Development Holdings Limited, Beijing Capital International Airport Company Limited, Frasers Property (China) Limited, NWS Holdings Limited, China Oilfield Services Limited, China Chengtong Development Group Limited, Global Digital Creations Holdings Limited, Quam Limited, China Power International Development Limited, Henderson Land Development Company Limited, Henderson Investment Limited, Agile Property Holdings Limited and CITIC 1616 Holdings Limited. From 1984 to 1998, Mr. Kwong was a partner of Pricewaterhouse and was a council member of the Stock Exchange from 1992 to 1997. He has a Bachelor of Social Science degree from the University of Hong Kong and is a fellow member of the Institute of Chartered Accountants in England and Wales.

Biographical Details of Directors and Senior Management

DIRECTOR *(continued)*

Independent Non-executive Directors *(continued)*

Prof. HE Jia, aged 54, has been an independent non-executive director and a member of the audit committee of the Company since February 2003. Prof. He has also been serving as a member of the remuneration committee of the Company since April 2005. Prof. He is a professor of Department of Finance at the Chinese University of Hong Kong and a professor at the Tsinghua University. He was a commissioner of the Strategy and Development Committee of CSRC and director of research of Shenzhen Stock Exchange from June 2001 to October 2002. He is an editor of China Financial Economics Review, and is serving as a member of editorial boards of a number of journals, including *China Accounting and Finance Review* and *Research in Banking and Finance*. He holds a Doctor of Philosophy degree in Finance from the Wharton School of University of Pennsylvania, the United States.

Mr. WANG Xiaojun, aged 54, has been an independent non-executive Director and a member of the audit committee of the Company since August 2004. Mr. Wang has also been serving as the chairman of the remuneration committee of the Company since April 2005. Mr. Wang is a partner of the X.J. Wang & Co. in Hong Kong and was admitted lawyer and solicitor in the PRC, Hong Kong and England and Wales in 1988, 1995 and 1996 respectively. Mr. Wang has worked as a member of the legal expert group in the Stock Exchange and solicitor in Richards Bulter and has worked as an investment banker in Peregrine and ING Barings. He graduated from the People's University of China and the Graduate School of the Chinese Academy of Social Science and holds a bachelor degree in Laws and a master degree in Laws. Mr. Wang is currently an independent non-executive director of Guangzhou Shipyard International Company Limited, a company listed on the Stock Exchange and 北方國際合作股份有限公司 (NORINCO International Cooperation Limited), a company listed on the Shenzhen Stock Exchange.

SENIOR MANAGEMENT

Deputy Chief Executive Officer

Mr. ZHANG Wei Dong, aged 44, has over 10 years of investment banking experience, most recently as managing director and Head of Corporate Finance at ICEA Group and Alpha Alliance Finance Holdings Limited respectively. He has worked for 10 years at Industrial and Commercial Bank of China in Beijing and was division chief in head office in final years. He holds a Master of Arts from Renmin University and a Diploma of Programme for Management Development from Harvard Business School.

Chief Investment Officer-Assets Management

Mr. Benoit DESCOURTIEUX CFA, aged 46, has overall responsibility for the investment management of Oriental Patron Financial Group and associates. He has been working in asset management industry since 1986 and has resided in Asia since 1987. Benoit is a founder and principal at OP Calypso Capital Limited (formerly known as Calypso Capital Limited) ("OP Calypso"), an alternative independent investment manager established in Hong Kong in 2003. Before setting up OP Calypso, Benoit was President and Chief Executive Officer for Lombard Odier (Asia) Limited from 1999 to July 2003 acting as office head and Chief Investment Officer. Prior to that he was from 1997 to 1999 an Associate Director at Indocam Asset Management, the Asian investment arm of Credit Agricole Asset Management, managing equity, fixed income and balanced products with both absolute return and benchmark focus.

Head of Assets Management Operation

Mr. Michael STOCKFORD, aged 49, has overall responsibility for the operation of Oriental Patron Financial Group's fund management business. He has been resident in Asia since 1987. Michael is a founder and principal at OP Calypso, an alternative independent investment manager established in Hong Kong in 2003. Before setting up OP Calypso, he was from 1997 to July 2003 a Director and Regional Head of Operations for Credit Agricole Asset Management in Asia, with particular focus on Risk, Compliance and Internal Control. Michael brings proven experience in Corporate Management, Risk Control, Operations and Compliance. He was a founding member of Credit Agricole Asset Management's Global Compliance Steering Committee and has been the Chairman of several mutual funds. He has established two asset management ventures in the region; the first in Hong Kong between National Westminster Bank and Wheelock & Co. and the second in Korea between Credit Agricole and the National Agricultural Co-operative Federation.

Directors' Report

The directors ("Directors") of OP Financial Investments Limited (the "Company") submit their report together with the audited financial statements of the Company with its subsidiaries (the "Group") for the year ended 31 March 2009 (the "Year").

PRINCIPAL ACTIVITIES

The Company is an investment company incorporated with limited liability as an exempted company in the Cayman Islands on 26 July 2002. The investment objective of the Group is to achieve earnings in the form of medium to long-term capital appreciation mainly through investments in listed and unlisted companies in the Greater China.

SEGMENT INFORMATION

No segment information is provided as all of the turnover and contribution to the operating results of the Group are attributable to investment activities which are carried out or originated principally in Hong Kong.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated income statement on page 26.

The Directors do not recommend the payment of a final dividend for the Year (2008: HK$Nil).

RESERVES

Details of the movements in the reserves of the Group and of the Company during the Year are set out in the consolidated statement of changes in equity on page 29 and note 24(b) to the financial statements, respectively.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the Year are set out in note 21 to the financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Memorandum and Articles of Association and there is no restriction against such rights under the laws of Cayman Islands.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 64 of this report.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company or any of its subsidiaries has not purchased, sold or redeemed any of its shares during the Year.

SHARE OPTIONS

Information about the share options of the Company during the Year is set out in note 22 to the financial statements.

Directors' Report

DIRECTORS

The Directors during the Year and up to the date of this report were:

Executive Directors

Mr. ZHANG Zhi Ping
Mr. ZHANG Gaobo

Non-executive Directors

Mr. LIU Hongru
Mr. ZHANG Huaqiao (resigned on 3 October 2008)

Independent Non-executive Directors

Mr. KWONG Che Keung, Gordon
Prof. HE Jia
Mr. WANG Xiaojun

In accordance with Articles 113 of the Company's Articles of Association, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo will retire by rotation from office and, being eligible, offer themselves for re-election.

The non-executive Director and each of the independent non-executive Directors are appointed for a term of not more than three years expiring on 31 May 2010 and they are also subject to retirement by rotation in accordance with the Company's Articles of Association.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company for an initial fixed term of three years commencing on 1 February 2003 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the initial fixed term. Each of these executive Directors is entitled to the respective basic salary (subject to an annual increment at the discretion of the Directors of not more than 10% of the annual salary at the time of the relevant review). In addition, in respect of the financial year ended 31 March 2004 and each of the financial years thereafter of the Company, each of the executive Directors is also entitled to a discretionary bonus provided that the aggregate amount of the bonuses payable to all the executive Directors in respect of any financial year of the Company may not exceed 5% of the audited net profit of the Company (or as the case may be, combined or consolidated audited net profit of the Company and its subsidiaries (if any)) (after taxation and minority interests but before extraordinary or exceptional items) in respect of that financial year of the Company. An executive Director shall not vote on any resolution of the Board regarding the amount of the discretionary bonus payable to him. No discretionary bonus has been paid to the executive Directors for the Year.

Saved as disclosed above, no other Directors have entered into service agreements with the Company which are not terminable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in the paragraph headed "Connected transactions" in this report and in note 28 to the financial statements, no other contracts of significance in relation to the Company's business to which the Company, each of its subsidiaries or its fellow subsidiaries was a party and in which any Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

Directors' Report

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2009, the interests and short positions of the Directors and chief executive of the Company in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listing Company (the "Model Code") in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), to be notified to the Company and the Stock Exchange were as follows:

Long positions in shares and underlying shares of the Company:

		Number of ordinary shares/underlying shares held in the Company			
Name of director	**Capacity in which interests are held**	**Corporate interests in shares**	**Interests under equity derivatives**	**Total Interests**	**Total interests as to % to the issued share capital of the Company as at 31 March 2009** (note 1)
Mr. ZHANG Zhi Ping (notes 2 & 4)	Interest of controlled corporation and beneficial owner	359,800,000	1,000,000	360,800,000	45.99%
Mr. ZHANG Gaobo (notes 3 & 4)	Interest of controlled corporation and beneficial owner	359,800,000	1,000,000	360,800,000	45.99%

Notes:

(1) The percentage of shareholding was calculated on the basis of the Company's issued share capital of 784,500,000 shares as at 31 March 2009.

(2) This represented 330,000,000 shares held by Ottness Investments Limited ("OIL"), 29,800,000 shares held by Oriental Patron Financial Services Group Limited ("OPFSGL") and 1,000,000 share options granted to Mr. Zhang Zhi Ping. The share options entitled the holders to subscribe for shares of the Company at an exercise price and exercise period as disclosed in the section headed "Share Option Scheme" in note 22 to the financial statements.

(3) This represented 330,000,000 shares held by OIL, 29,800,000 shares held by OPFSGL and 1,000,000 share options granted to Mr. Zhang Gaobo. The share options entitled the holders to subscribe for shares of the Company at an exercise price and exercise period as disclosed in the section headed "Share Option Scheme" in note 22 to the financial statements.

(4) OIL is a wholly owned subsidiary of Oriental Patron Financial Group Limited ("OPFGL"), while 95% of the issued share capital of OPFSGL is owned by OPFGL. The entire issued share capital of OPFGL is beneficially owned as to 51% by Mr. Zhang Zhi Ping and 49% by Mr. Zhang Gaobo.

Save as disclosed above, as at 31 March 2009, none of the Directors or chief executive had any interest or short positions in the shares and underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Report

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 31 March 2009, the Company had been notified of the following substantial shareholders' interests or short positions, being 5% or more of the Company's shares and underlying shares. These interests are in addition to those disclosed above in respect of the Directors and chief executive.

Long positions in shares and underlying shares of the Company:

		Number of ordinary shares/underlying shares held in the Company			
Name of shareholder	**Capacity in which interests are held**	**Corporate interests in shares**	**Interests under equity derivatives**	**Total Interests**	**Total interests as to % to the issued share capital of the Company as at 31 March 2009** (note 1)
OIL (note 2 & 4)	Beneficial owner	330,000,000	–	330,000,000	42.07%
OPFGL (note 3 & 4)	Interest of controlled corporation	359,800,000	–	359,800,000	45.86%
Primus Pacific Partners Investments 2 Ltd (note 5 & 6)	Beneficial owner	155,040,000	–	155,040,000	19.76%
Primus Pacific Partners 1 LP (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	19.76%
Primus Pacific Partners (GP1) LP (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	19.76%
Primus Pacific Partners (GP1) Ltd (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	19.76%
Mr. NG Wing Fai (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	19.76%
Mr. HUAN Guocang (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	19.76%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND /OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES *(continued)*

Long positions in shares and underlying shares of the Company: *(continued)*

Notes:

(1) The percentage of shareholding was calculated on the basis of the Company's issued share capital of 784,500,000 shares as at 31 March 2009.

(2) This represented 330,000,000 shares held by OIL.

(3) This represented 330,000,000 shares held by OIL and 29,800,000 shares held by OPFSGL.

(4) OIL is a wholly owned subsidiary of OPFGL, while 95% of the issued share capital of OPFSGL is owned by OPFGL. By virtue of the SFO, OPFGL is deemed to be interested in the shares and underlying shares of the Company held by OIL and the shares held by OPFSGL.

(5) This represented 155,040,000 shares held by Primus Pacific Partners Investments 2 Ltd ("PPPI-2").

(6) Each of Mr. Huan Guocang and Mr. Ng Wing Fai owns as to 50% of the total equity interest in Primus Pacific Partners (GP1) Ltd ("PPP-GP1") while PPP-GP1 controls 100% equity interest in Primus Pacific Partners (GP1) LP ("PPP-GPI-LP"). Further, PPP-GPI-LP controls 100% equity interest in Primus Pacific Partners 1 LP ("PPP1-LP") while PPP1-LP owns as to 100% equity interest in PPPI-2. By virtue of the SFO, each of Mr. Huan Guocang, Mr. Ng Wing Fai, PPP-GP1, PPP-GPI-LP, and PPP1-LP is deemed to be interested in the shares of the Company held by PPP1-2.

Save as disclosed above, as at 31 March 2009, the Company has not been notified by any other persons, not being a Director or chief executive of the Company, who has interests or short positions in the shares and underlying shares of the Company representing 5% or more of the Company's issued share capital.

SUFFICIENCY OF PUBLIC FLOAT

The Company is an investment company listed on the Stock Exchange pursuant to Chapter 21 of the Listing Rules. The minimum public float requirement under Rule 8.08(1) of the Listing Rules does not applied to the Company. Nevertheless, based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this report, there is a public float of more than 25% of the issued capital of the Company.

MANAGEMENT CONTRACTS

Save as disclosed in the paragraph headed "Connected transactions" and note 28 to the financial statements, no other 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 Year.

Directors' Report

CONNECTED TRANSACTIONS

During the Year, the Company had the following connected transactions, certain details of which are disclosed in compliance with the requirements of Chapter 14A of the Listing Rules.

(a) Non-exempt continuing connected transactions

Pursuant to the Investment Management Agreement (the "Investment Agreement") dated 1 April 2008, the Company has re-appointed Oriental Patron Fund Management (the trade name adopted by Oriental Patron Asia Limited ("OPAL") in fund management activities) as its investment manager to provide investment management services for a fixed term of three years commencing on 1 April 2008 to 31 March 2011. Pursuant to the Investment Agreement, the Company will pay OPAL a monthly management fee at 1.5% per annum of the Net Asset Value ("NAV") as at the immediately preceding Valuation Date as defined in the Investment Agreement on the basis of the actual number of days in arrears in the relevant calendar month over a year of 360 days and a performance fee at 10% of the increase in the NAV per share as at the Performance Fee Valuation Day as defined in the Investment Agreement. The aggregated management fee and performance payable to OPAL under the Investment Agreement is subject to a cap for each of the three years ending 31 March 2011. The cap amount for the year ended 31 March 2009 was HK$60,000,000.

OPAL being the investment manager of the Company is regarded as a connected person of the Company by virtue of Rule 21.13 the Listing Rules. In addition, OPAL is a wholly-owned subsidiary of OPFSGL. The Directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo had significant influence in OPFSGL. Accordingly the services rendered under the Investment Agreement constitute non-exempted continuing connected transactions of the Company.

During the Year, the aggregated management and performance fees paid/payable by Company under the Investment Agreement to OPAL amounting to HK$18,384,836 (2008: HK$21,164,843).

The independent non-executive Directors confirmed that the Investment Agreement and the investment management services were rendered (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and (iii) in accordance with the Investment Agreement on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company have reported to the Directors that the aforesaid continuing connected transactions under the Investment Agreement (i) have been approved by the Directors; (ii) have been entered into in accordance with the terms of the Investment Agreement; and (iii) have not exceeded the prescribed caps as disclosed in the relevant announcement.

(b) Connected transactions exempted from reporting, announcement and independent shareholders' approval requirements

Placing commission and documentation fee

Pursuant to an agreement made between the Company as issuer and OPAL as placing agent on 1 December 2008 in respect of the placing of an aggregate of 78,500,000 new shares, the Company paid placing commission and documentation fee of HK$874,250 (2008: HK$18,000,000) to OPAL for its services. The placing commission and documentation fee were considered as share issue expenses and debited to the share premium account.

Advisory services

During the Year, the Company also paid HK$100,000 (2008: HK$70,000) to OPAL for its advisory services rendered in relation to the acquisition of certain interests in OP Calypso Capital (Cayman) Limited and OP Calypso Capital Limited.

CONNECTED TRANSACTIONS *(continued)*

(b) Connected transactions exempted from reporting, announcement and independent shareholders' approval requirements *(continued)*

Custodian agreement

Pursuant to the Custodian Agreement (the "Custodian Agreement") dated 26 February 2003, the Company appointed Standard Chartered Bank as its custodian with effect from 20 March 2003. The custodian has agreed to provide securities services to the Company including the safe custody and physical settlement of the securities in the investment portfolio of the Company, and the collection of dividends and other entitlements in respect of such securities. The Custodian Agreement will continue in force until terminated by either the Company or the custodian giving to the other not less than 60 days' notice in writing expiring at any time. Pursuant to the Custodian Agreement, custody fee of 0.05% to 0.08% per annum in respect of listed securities, a flat fee per counter per month in respect of unlisted securities, subject to certain minimum charge per month, and transaction fee of about USD40 to USD80 per receipt or delivery of securities will be paid to the custodian. The custodian fee paid during the Year amounted to HK$29,420 (2008: HK$71,060).

The custodian is regarded as a connected person of the Company virtue of Rule 21.13 of the Listing Rules. Accordingly the Custodian Agreement constitutes a de-minimis connected transaction of the Company for purpose of the Listing Rules.

Licence agreement

On 30 April 2008, the Company entered into a licence agreement (the "Licence Agreement") with Oriental Patron Finance Limited ("OPFL"). Pursuant to the Licence Agreement, the Company was granted a licence to use a portion of the property (the "Property") currently leased by OPFL as tenant from an independent third party at a monthly fee of HK$78,400 for a year from 1 May 2008 to 30 April 2009. The Property is used by the Company as its principal place of business in Hong Kong. The licence fee paid to OPFL during the Year amounted to HK$871,400 (2008: HK$108,000).

The Directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo had significant influence in OPFL. Accordingly, the Licence Agreement constitutes a de-minimis connected transaction of the Company for purpose of the Listing Rules.

Brokerage services

The Company holds a securities dealing account with Oriental Patron Securities Limited ("OPSL") for dealing in securities of listed companies in accordance with the investment objective and policies of the Company. During the Year, the Company has paid OPSL brokerage commission of approximately HK$73,880 (2008: HK$231,566).

OPSL is a wholly-owned subsidiary of OPFSGL. The Directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo had significant influence in OPFSGL. Accordingly, the brokerage service provided by OPSL constitutes de-minimis connected transactions of the Company for purpose of the Listing Rules.

The independent non-executive Directors confirmed that each of the above de-minimis connected transactions were entered into (i) on normal commercial terms and on the arm's length basis; (ii) in the ordinary and usual course of business of the Company; and (iii) on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The independent non-executive Directors also confirmed the monetary value of the placing commission and documentation fee, the advisory fee to OPAL, the aggregate value of the annual custodian fee to the custodian, the aggregate value of the annual licence fee to OPFL and the aggregate value of the annual brokerage commission paid to OPSL fell below the de minimis threshold of the Listing Rules, and would be exempted from the reporting, announcement and/or shareholders' approval requirements under the Listing Rules.

Directors' Report

CONNECTED TRANSACTIONS *(continued)*

All of the connections transactions entered by the Group above have complied with the applicable disclosure requirements in accordance with Chapter 14A of the Listing Rules. Apart from the custodian paid under the Custodian Agreement, other transactions are also disclosed in note 28 to the financial statements as related party transactions.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE PRACTICES

Throughout the Year, the Company was in compliance with the Code of Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rules.

A detailed "Corporate Governance Report" setting out the Company's framework of governance and explanations about how the provisions of the CG Code have been applied are set out on pages 20 to 23 of this annual report.

RETIREMENT BENEFITS SCHEME

Details of the retirement benefit scheme of the Company are set out in note 29 to the financial statements.

AUDIT COMMITTEE

The Company established an audit committee in accordance with rule 3.21 of the Listing Rules. The Company's audit committee comprised three independent non-executive Directors, namely, Mr. KWONG Che Keung, Gordon, Prof. HE Jia and Mr. WANG Xiaojun. 3 meetings were held during the Year.

The summary of duties and works of the audit committee is set out in "Corporate Governance Report" in this annual report.

The audited financial statements for the Year have been reviewed by the audit committee.

AUDITOR

A resolution to re-appoint the retiring auditor, RSM Nelson Wheeler, will be put at the forthcoming annual general meeting of the Company.

On behalf of the Board

ZHANG ZHI PING
Executive Director

Hong Kong SAR, 21 July 2009

Corporate Governance Report

The board of directors (the "Board") recognises the importance of corporate governance to the Group's healthy growth and is dedicated to maintaining good standards of corporate governance so as to enhance corporate transparency and protect the interests of shareholders.

The Group has complied with the Code on Corporate Governance Practices ("CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the year ended 31 March 2009 (the "Year").

The key corporate governance principles and practices of the Group are summarized as follows:

THE BOARD

Responsibilities

The overall management of the Group's business is vested in the Board, which assumes the responsibility for leadership and control of the Group and is collectively responsible for promotion for the success of the Group by directing and supervising its affairs. All directors should take decisions objectively in the interests of the Group.

The Board takes the responsibility for all major matters of the Group including: the approval and monitoring of all policy matters, overall strategies, internal control and risk management systems, appointment and retirement of directors and other significant financial and operational matters.

The executive directors are responsible for overseeing the day-to-day management of the Group's operations and implementation of the strategies set by the Board.

As the Company is an investment company, investment management services have been delegated to the investment manager and the custodian, fund services and transaction handling services have been delegated to the custodian. The delegated functions and work tasks are reviewed periodically by the Board.

Composition

The composition of the Board ensures a balance of skills and experience appropriate to the requirements of the business of the Group and to the exercising of independent judgement.

The Board of the Company comprised the following directors:

Executive Directors
Mr. ZHANG Zhi Ping *(Chairman)*
Mr. ZHANG Gaobo *(Chief Executive Officer)*

Non-executive Director
Mr. LIU Hongru

Independent Non-executive Directors
Mr. KWONG Che Keung, Gordon *(Chairman of Audit Committee and member of Remuneration Committee)*
Prof. HE Jia *(member of Audit Committee and Remuneration Committee)*
Mr. WANG Xiaojun *(member of Audit Committee and Chairman of Remuneration Committee)*

The names and biographical details of each director are disclosed on pages 10 to 11 of this annual report.

Corporate Governance Report

THE BOARD *(continued)*

Composition *(continued)*

During the Year, the Board at all times met the requirements of the Listing Rules in relation to the appointment of at least 3 independent non-executive directors with at least 1 independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company confirms that it has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Company considers the independent non-executive directors are independent.

The non-executive director and each of the independent non-executive directors are appointed for a term of not more than three years expiring on 31 May 2010 and they are also subject to retirement by rotation in accordance with the Company's Articles of Association.

Board Meetings

Regular Board meetings are held for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company.

During the Year, 29 executive Board meetings and 4 full Board meetings were held and the attendance of individual directors was as follows:

	Attendance	
Name of directors	**Executive Board**	**Full Board**
Mr. ZHANG Zhi Ping	29/29	4/4
Mr. ZHANG Gaobo	29/29	4/4
Mr. LIU Hong Ru	–	4/4
Mr. KWONG Che Keung, Gordon	–	4/4
Prof. HE Jia	–	4/4
Mr. WANG Xiaojun	–	4/4

Chairman and Chief Executive Officer

The Chairman and Chief Executive Officer of the Company are Mr. Zhang Zhi Ping and Mr. Zhang Gaobo respectively.

The Chairman is responsible for providing leadership for the Board and ensuring that the Board works effectively and that all key and appropriate issues are discussed by the Board on a timely manner.

The Chief Executive Officer is responsible for formulating the investment strategies, monitoring the investment performance and approving investment decisions.

Corporate Governance Report

BOARD COMMITTEES

In order to strengthen the functions of the Board and to oversee particular aspects of the Group's affairs, two committees has been established, namely, the Remuneration Committee and the Audit Committee. Both committees are established with defined written terms of reference.

Remuneration Committee

The Board has established a Remuneration Committee comprising three independent non-executive directors, namely, Mr. Kwong Che Keung, Gordon, Prof. He Jia and Mr. Wang Xiaojun. Mr. Wang Xiaojun is the chairman of the Remuneration Committee.

The primary objective for setting up the Remuneration Committee is to comply with the Code Provision as set out in the CG Code. Its responsibilities are to review and consider the Group's policy for remuneration of directors and senior management, to recommend to the Board the remuneration packages of executive directors, non-executive director and the senior management.

The Remuneration Committee held one meeting during the Year. Details of individual attendance of its members are set out below:

Name of directors	Attendance
Mr. KWONG Che Keung, Gordon	1/1
Prof. HE Jia	1/1
Mr. WANG Xiaojun	1/1

Audit Committee

The Audit committee comprised three independent non-executive directors, namely, Mr. Kwong Che Keung, Gordon, Prof. He Jia and Mr. Wang Xiaojun. Mr. Kwong Che Keung, Gordon is the chairman of the Audit Committee.

The main duties of the Audit Committee include the following:

(1) To review the financial statements and reports and consider any significant or unusual items raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or external auditors before submission to the Board.

(2) To review the relationship with the external auditor by reference to the work performed by the auditor, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditor.

(3) To review the adequacy and effectiveness of the Group's financial reporting system, internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget and risk management system and associated procedures.

The Audit Committee held 3 meetings during the Year. Details of individual attendance of its members are set out below:

Name of directors	Attendance
Mr. KWONG Che Keung, Gordon	3/3
Prof. HE Jia	3/3
Mr. WANG Xiaojun	3/3

The Group's annual report for the Year has been reviewed by the Audit Committee.

Corporate Governance Report

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. All directors have confirmed, following specific enquiry by the Company, that they have fully complied with the Model Code throughout the Year.

AUDITOR'S REMUNERATION

The Audit Committee reviews each year with the external auditor of the Company with regards their independence, approves their appointment, discusses the scope of their audit, approves their fees, and the scope and appropriate fees for any non-audit services requested to be provided by them.

During the Year, the fees paid to the Company's auditor in respect of audit services and non-audit services amounted to HK$300,000 and HK$110,000 respectively.

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 24 to 25.

INTERNAL CONTROL

The Board has overall responsibility for the maintenance of an internal control system to protect shareholders' interest and safeguard the Group's assets.

During the Year, the Board has conducted an annual review of the effectiveness of the internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget in compliance with the relevant Code Provisions as set out in the CG Code. Both of the Audit Committee and the Board are satisfied that the existing internal control system of the Group is adequate and effective.

COMMUNICATION WITH SHAREHOLDERS

The Company uses a range of communication tools to ensure its shareholders are kept well informed of the Group's information. These include timely publication of the Company's monthly net asset values, annual and interim results, various notices, announcements and circulars. The annual general meeting also serves as a communication channel between directors and shareholders. During the general meeting, chairman of the Board will present to answer any queries that shareholders may have. Procedures for voting by poll and other relevant information have been included in all circulars accompanying notice convening general meeting.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other regulatory requirement.

The directors acknowledge their responsibility for preparing the financial statements of the Group for each financial year which gives a true and fair view of the state of the Group.

Independent Auditor's Report

RSM! Nelson Wheeler
中瑞岳華（香港）會計師事務所
Certified Public Accountants

TO THE SHAREHOLDERS OF
OP FINANCIAL INVESTMENTS LIMITED
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of OP Financial Investments Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 26 to 63, which comprise the consolidated and Company balance sheets as at 31 March 2009, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditor's Report

OPINION

In our opinion the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2009 and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

RSM Nelson Wheeler
Certified Public Accountants
Hong Kong

21 July 2009

Consolidated Income Statement

For the year ended 31 March 2009

	Note	2009 HK$	2008 HK$
Turnover	6	**7,663,547**	9,464,047
Other income		**–**	1,500
Net (loss)/gain on financial assets at fair value through profit or loss		**(7,034,482)**	5,968,526
Impairment loss on available-for-sale financial assets		**(78,090)**	(221,070)
Fair value gain on other financial liabilities	20	**9,628,063**	–
Equity-settled share-based payments		**–**	(7,174,919)
Administrative expenses		**(30,914,321)**	(24,821,551)
Loss from operations		**(20,735,283)**	(16,783,467)
Finance costs	8	**(73,634)**	–
Share of results of associates	16	**(4,807,128)**	–
Loss before tax		**(25,616,045)**	(16,783,467)
Income tax	9	**–**	–
Loss for the year	10	**(25,616,045)**	(16,783,467)
Loss per share			
Basic	12(a)	**(3.5 cents)**	(5.1 cents)
Diluted	12(b)	**N/A**	N/A

Consolidated Balance Sheet

At 31 March 2009

	Note	2009 HK$	2008 HK$
Non-current assets			
Property, plant and equipment	14	**143,072**	–
Investments in associates	16	**59,651,854**	2,990,000
Available-for-sale financial assets	17	**209,635,871**	556,930
		269,430,797	3,546,930
Current assets			
Financial assets at fair value through profit or loss	18	**237,579,680**	9,000
Amount due from a broker		**–**	4,237,211
Dividend and interest receivables		**323,015**	1,966,660
Prepayments and other receivables		**577,662**	139,928
Tax recoverable		**1,403,935**	1,403,935
Bank balances		**391,759,568**	753,912,110
		631,643,860	761,668,844
Current liabilities			
Accrued charges		**6,543,393**	16,936,646
Other financial liabilities	20	**3,879,396**	–
		10,422,789	16,936,646
Net current assets		**621,221,071**	744,732,198
Total assets less current liabilities		**890,651,868**	748,279,128
Non-current liabilities			
Other financial liabilities	20	**3,879,396**	–
NET ASSETS		**886,772,472**	748,279,128
Capital and reserves			
Share capital	21	**78,450,000**	70,050,000
Reserves	24(a)	**808,322,472**	678,229,128
TOTAL EQUITY		**886,772,472**	748,279,128
Net asset value per share	25	**1.13**	1.07

Approved by the Board of Directors on 21 July 2009.

ZHANG Zhi Ping
Director

ZHANG Gaobo
Director

Balance Sheet

At 31 March 2009

	Note	2009 HK$	2008 HK$
Non-current assets			
Property, plant and equipment	14	**143,072**	–
Investments in subsidiaries	15	**40**	16
Investment in an associate	16	**57,685,009**	–
Available-for-sale financial assets	17	**478,840**	556,930
		58,306,961	556,946
Current assets			
Financial assets at fair value through profit or loss	18	**7,293,000**	9,000
Amount due from a broker		**–**	4,237,211
Dividend and interest receivables		**323,015**	1,966,660
Prepayments and other receivables		**577,662**	139,928
Tax recoverable		**1,403,935**	1,403,935
Amounts due from subsidiaries	15	**406,388,838**	2,996,068
Bank balances		**391,759,568**	753,912,110
		807,746,018	764,664,912
Current liabilities			
Accrued charges		**6,543,393**	16,936,646
Other financial liabilities	20	**3,879,396**	–
		10,422,789	16,936,646
Net current assets		**797,323,229**	747,728,266
Total assets less current liabilities		**855,630,190**	748,285,212
Non-current liabilities			
Other financial liabilities	20	**3,879,396**	–
NET ASSETS		**851,750,794**	748,285,212
Capital and reserves			
Share capital	21	**78,450,000**	70,050,000
Reserves	24(b)	**773,300,794**	678,235,212
TOTAL EQUITY		**851,750,794**	748,285,212

Approved by the Board of Directors on 21 July 2009.

ZHANG Zhi Ping
Director

ZHANG Gaobo
Director

Consolidated Statement of Changes in Equity

For the year ended 31 March 2009

	Note	Share capital HK$	Reserves: Share premium HK$	Reserves: Share-based payment reserve HK$	Reserves: Investment revaluation reserve HK$	Reserves: Retained profits/ (Accumulated losses) HK$	Reserves: Final dividend proposed HK$	Total HK$
At 1 April 2007		10,000,000	36,593,108	–	–	9,647,305	5,000,000	61,240,413
Share issue expenses		–	(18,952,745)	–	–	–	–	(18,952,745)
Net expense recognised directly in equity		–	(18,952,745)	–	–	–	–	(18,952,745)
Loss for the year		–	–	–	–	(16,783,467)	–	(16,783,467)
Total recognised income and expense for the year		–	(18,952,745)	–	–	(16,783,467)	–	(35,736,212)
Issue of shares by placing		60,000,000	660,000,000	–	–	–	–	720,000,000
Exercise of warrants		50,000	550,000	–	–	–	–	600,000
Recognition of equity-settled share-based payments		–	–	7,174,927	–	–	–	7,174,927
2007 final dividend paid		–	–	–	–	–	(5,000,000)	(5,000,000)
At 31 March 2008		70,050,000	678,190,363	7,174,927	–	(7,136,162)	–	748,279,128
Changes in fair value of available-for-sale financial assets	17	–	–	–	41,460,992	–	–	41,460,992
Share issue expenses	21(b)	–	(1,041,603)	–	–	–	–	(1,041,603)
Net income and expense recognised directly in equity		–	(1,041,603)	–	41,460,992	–	–	40,419,389
Loss for the year		–	–	–	–	(25,616,045)	–	(25,616,045)
Total recognised income and expense for the year		–	(1,041,603)	–	41,460,992	(25,616,045)	–	14,803,344
Share options lapsed		–	–	(1,055,136)	–	1,055,136	–	–
Issue of shares for investments in associates and available-for-sale financial assets	21(a)	550,000	5,390,000	–	–	–	–	5,940,000
Issue of shares by placing	21(b)	7,850,000	109,900,000	–	–	–	–	117,750,000
At 31 March 2009		**78,450,000**	**792,438,760**	**6,119,791**	**41,460,992**	**(31,697,071)**	**–**	**886,772,472**

Consolidated Cash Flow Statement

For the year ended 31 March 2009

	2009 HK$	2008 HK$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	**(25,616,045)**	(16,783,467)
Adjustments for:		
Depreciation	**54,035**	–
Dividend income	**(72,600)**	(639,191)
Interest income	**(7,590,946)**	(8,824,856)
Interest expenses	**73,634**	–
Net unrealised loss/(gain) on financial assets at fair value through profit or loss	**7,140,368**	(9,000)
Fair value gain on other financial liabilities	**(9,628,063)**	–
Impairment loss on available-for-sale financial assets	**78,090**	221,070
Share of results of associates	**4,807,128**	–
Equity-settled share-based payments	**–**	7,174,919
Operating loss before working capital changes	**(30,754,399)**	(18,860,525)
(Increase)/Decrease in financial assets at fair value through profit or loss	**(244,711,048)**	31,524,670
Increase in available-for-sale financial assets	**(145,838,166)**	–
Decrease/(Increase) in amount due from a broker	**4,237,211**	(4,237,211)
Increase in prepayments and other receivables	**(437,734)**	(1,430)
(Decrease)/Increase in accrued charges	**(10,393,253)**	15,591,293
Cash (used in)/generated from operations	**(427,897,389)**	24,016,797
Dividend received	**91,410**	620,381
Interest received	**9,215,781**	6,877,006
Interest paid	**(73,634)**	–
Income tax paid	**–**	(1,837,004)
Net cash (used in)/generated from operating activities	**(418,663,832)**	29,677,180
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in an associate	**(60,000,000)**	(2,990,000)
Purchase of property, plant and equipment	**(197,107)**	–
Net cash used in investing activities	**(60,197,107)**	(2,990,000)

Consolidated Cash Flow Statement

For the year ended 31 March 2009

	Note	2009 HK$	2008 HK$
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		**–**	(5,000,000)
Net proceeds from issue of shares on placement	21(b)	**116,708,397**	701,047,255
Proceeds from exercise of warrants		**–**	600,000
Proceeds from issue of share options		**–**	8
Net cash generated from financing activities		**116,708,397**	696,647,263
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(362,152,542)**	723,334,443
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		**753,912,110**	30,577,667
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		**391,759,568**	753,912,110
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances		**391,759,568**	753,912,110

Notes to the Financial Statements

For the year ended 31 March 2009

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands. The address of its principal place of business is 27th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries and associates are set out in Notes 15 and 16 respectively.

2 ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 April 2008. HKFRSs comprise all applicable individual Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

3 SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with HKFRSs, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments and derivative liabilities which are carried at their fair values.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires management to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the financial statements.

The significant accounting policies applied in the preparation of the financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

Notes to the Financial Statements

For the year ended 31 March 2009

3 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(a) Consolidation *(continued)*

Inter-company transactions, balances and unrealised profits on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet the investments in subsidiaries are stated at cost less allowance for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(b) Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policies of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has significant influence.

Investment in an associate is accounted for in the consolidated financial statements by the equity method of accounting and is initially recognised at cost. Identifiable assets, liabilities and contingent liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities is recorded as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised in the consolidated income statement.

The Group's share of an associate's post-acquisition profits or losses is recognised in the consolidated income statement, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

In the Company's balance sheet the investments in associates are stated at cost less allowance for impairment losses. The results of associates are accounted for by the Company on the basis of dividends received and receivable.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the rates ruling on the balance sheet date. Profits and losses resulting from this translation policy are included in the income statement.

3 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Foreign currency translation *(continued)*

(ii) Transactions and balances in each entity's financial statements *(continued)*

Translation differences on non-monetary items, such as equity instruments classified as financial assets at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equity instruments classified as available-for-sale financial assets, are included in the investment revaluation reserve in equity.

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

– Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

– Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

– All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in the consolidated income statement as part of the profit or loss on disposal.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Computer equipment	25%
Office equipment	25%
Furniture	25%
Fixtures	Over the unexpired terms of the leases

The useful lives and depreciation method are reviewed and adjusted, if appropriate, at each balance sheet date.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the income statement.

Notes to the Financial Statements

For the year ended 31 March 2009

3 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments (net of any incentive received from the lessor) are expensed in the income statement on a straight-line basis over the lease term.

(f) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in the income statement.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the income statement.

(g) Investments

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs except in the case of financial assets not at fair value through profit or loss.

Investments are classified as either financial assets at fair value through profit or loss or available-for-sale financial assets.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either investments held for trading or designated as at fair value through profit or loss upon initial recognition. These investments are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in the income statement.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets not classified as trade and other receivables, held-to-maturity investments or financial assets at fair value through profit or loss. Available-for-sale financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised directly in equity until the investments are disposed of or are determined to be impaired, at which time the cumulative gains or losses previously recognised in equity are recognised in the income statement. Impairment losses recognised in the income statement for equity investments classified as available-for-sale financial assets are not subsequently reversed through the income statement.

For available-for-sale equity investments that do not have quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any impairment losses at each balance sheet date subsequent to initial recognition. Impairment losses recognised in the income statement are not subsequently reversed.

3 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in the income statement.

Impairment losses are reversed in subsequent periods and recognised in the income statement when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

(i) Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

(j) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(k) Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(l) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(m) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably, on the following bases:

(i) Dividend income is recognised when the shareholder's right to receive payment is established; and

(ii) Interest income is recognised on a time-proportion basis using the effective interest method.

Notes to the Financial Statements

For the year ended 31 March 2009

3 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(n) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to a defined contribution retirement scheme which is available to all employees. Contributions to the scheme by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to the income statement represents contributions payable by the Group to the funds.

(iii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(o) Share-based payments

The Group issues equity-settled share-based payments to certain employees and other eligible participants. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions, with a corresponding increase in share-based payment reserve.

At the time when the share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will be transferred to retained profits.

(p) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(p) Taxation *(continued)*

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(q) Related parties

A party is related to the Group if:

(i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Group; has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;

(ii) the party is an associate;

(iii) the party is a joint venture;

(iv) the party is a member of the key management personnel of the Company or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

(r) Impairment of assets

At each balance sheet date, the Group' reviews the carrying amounts of its assets except financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Notes to the Financial Statements

For the year ended 31 March 2009

3 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(r) Impairment of assets *(continued)*

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(s) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow is remote.

(t) Events after the balance sheet date

Events after the balance sheet date that provide additional information about the Group's position at the balance sheet date or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the balance sheet date that are not adjusting events are disclosed in the notes to the financial statements when material.

4 CRITICAL JUDGEMENTS AND KEY ESTIMATES

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Income taxes

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4 CRITICAL JUDGEMENTS AND KEY ESTIMATES *(continued)*

(b) Fair value of available-for-sale financial assets

As indicated in Note 17 to the financial statements, the Group selects appropriate valuation techniques for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. The fair values of unlisted available-for-sale financial assets are determined in accordance with generally accepted pricing models on the basis of Discounted Cash Flow Method and/or Binomial Option Pricing Model. The values assigned to the available-for-sale financial assets are based upon available information and do not necessarily represent amounts which might ultimately be realised, since such amounts depend on future circumstances and cannot be reasonably determined until the individual position is realised.

(c) Fair value of financial assets at fair value through profit or loss

In the absence of quoted market price in an active market, the directors estimate the fair value of the Group's investment in China Data Broadcasting Holdings Limited ("CHINA DATA"), details of which are set out in Note 18 to the financial statements, by considering information from a variety of sources, including the latest published financial information, the historical data on market volatility as well as the price and industry and sector performance of CHINA DATA.

(d) Estimation of fair value of other financial liabilities

As disclosed in Note 20 to the financial statements, the Group's other financial liabilities as at balance sheet date represent the consideration share options granted. In determining the fair value of the consideration share options, the Binomial Option Pricing Model was adopted. While the required input of the assumptions are considered by the directors as reasonable, they are subject to significant business, economic and competitive uncertainties and contingencies.

5 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	Group	
	2009	2008
	HK$	HK$
Financial assets		
Available-for-sale financial assets	**209,635,871**	556,930
Financial assets at fair value through profit or loss		
Classified as held for trading	**237,556,358**	9,000
Designated as such upon initial recognition	**23,322**	–
Loans and receivables (including bank balances)	**392,489,778**	760,135,665
Financial liabilities		
Amortised cost	**6,543,393**	16,936,646
Financial liabilities at fair value through profit or loss		
Classified as held for trading	**7,758,792**	–

Notes to the Financial Statements

For the year ended 31 March 2009

5 FINANCIAL INSTRUMENTS *(continued)*

(b) Financial risk management

The Group's activities expose it to a variety of financial risks: foreign currency risk, interest rate risk, equity price risk, credit risk and liquidity risk. The Board of Directors (the "Board") meets periodically to analyse and formulate strategies to manage the Group's exposure to these risks. The Group's exposure to these risks is kept to a minimum. The Group has not used any derivatives or other instruments for hedging purpose.

The significant financial risks to which the Group is exposed to are described below.

(i) Foreign currency risk

The Group has no significant foreign currency risk due to limited foreign currency transactions. Accordingly, no sensitivity analysis has been presented.

(ii) Interest rate risk

The Group's exposure to cash flow interest rate risk arises from its bank deposits. These bank deposits bear interests at variable rates varied with the then prevailing market conditions. The directors review the Group's cash flow interest rate risk exposure regularly and do not consider the present interest rate risk to be significant.

(iii) Equity price risk

The Group is exposed to equity price risk through its financial assets at fair value through profit or loss and the unlisted equity securities at fair value. The Board manages this exposure by maintaining a portfolio of investments with different risks and return profiles.

Sensitivity analysis

If the price of the Group's financial assets at fair value through profit or loss and the Group's unlisted equity securities at fair value had been 10% higher/lower, the loss for the year would decrease/increase by approximately HK$23,635,000 (2008: decrease/increase by approximately HK$1,000) and the equity would increase/decrease by approximately HK$20,916,000 (2008: HK$Nil). The Group's sensitivity to equity prices increased significantly as the Group made substantial investments during the year ended 31 March 2009.

(iv) Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations at the balance sheet date in relation to each class of recognised financial assets is the carrying amount of these assets as stated in the balance sheet.

The Group's credit risk is limited because most of the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

(v) Liquidity risk

Liquidity risk is the risk that the Group cannot meet its current obligations as they fall due. The Group's liquidity risk is minimal and is managed by matching the settlement of trading in securities. For the management of the Group's liquidity risk, the Group monitors and maintains a sufficient level of cash and cash equivalents adequate to finance the Group's operations and mitigate the effects of fluctuation in cash flows. The directors review and monitor its working capital requirements regularly.

5 FINANCIAL INSTRUMENTS *(continued)*

(b) Financial risk management *(continued)*

(v) Liquidity risk *(continued)*

The following tables set out the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables are drawn up based on the undiscounted cash flows of financial liabilities and the earliest dates on which the Group can be required to pay.

	Less than 1 year HK$
At 31 March 2009	
Accrued charges	**6,543,393**
At 31 March 2008	
Accrued charges	16,936,646

(c) Fair values

The fair values of the Group's financial assets and liabilities are not materially different from their carrying amounts.

The fair values of financial assets traded in active markets such as listed equity investments, included in financial assets at fair value through profit or loss, are based on quoted market prices at the balance sheet date. The quoted market price for financial assets held by the Group usually is the current bid price.

Other unlisted equity investments and unlisted investment funds included in financial assets at fair value through profit or loss or available-for-sale financial assets are stated at their fair values, which are determined by reference to the valuation in accordance with generally accepted valuation methodologies or the prices quoted by fund administrator.

Unlisted equity investments included in available-for-sale financial assets, are stated at cost less any impairment losses. The directors considered that the carrying amount of such assets would not be materially different from their fair values.

The fair values of derivative instruments included in other financial liabilities are determined in accordance with generally accepted valuation pricing model.

Notes to the Financial Statements

For the year ended 31 March 2009

6 TURNOVER

Turnover represents the income received and receivable on investments during the year as follows:

	2009	2008
	HK$	HK$
Dividend income from listed investments	**72,600**	639,191
Interest income	**7,590,947**	8,824,856
	7,663,547	9,464,047

7 SEGMENT INFORMATION

No segment information is presented as all of the turnover, contribution to operating results, assets and liabilities of the Group are attributable to investment activities which are carried out or originated principally in Hong Kong.

8 FINANCE COSTS

	2009	2008
	HK$	HK$
Interest on bank and other borrowings wholly repayable within five years	**73,634**	–

9 INCOME TAX

(a) No provision for Hong Kong Profits Tax has been made since the Group has no assessable profit for the year.

(b) The reconciliation between the income tax and the product of loss before tax multiplied by Hong Kong Profits Tax rate is as follows:

	2009	2008
	HK$	HK$
Loss before tax	**(25,616,045)**	(16,783,467)
Tax at Hong Kong Profits Tax rate of 16.5% (2008:17.5%)	**(4,226,648)**	(2,937,106)
Tax effect of income that is not taxable	**(2,844,087)**	(1,656,209)
Tax effect of expenses that are not deductible	**6,544,900**	1,295,363
Tax effect of temporary differences not recognised	**(2,738)**	(64)
Tax effect of tax losses not recognised	**528,573**	3,298,016
Income tax	**–**	–

10 LOSS FOR THE YEAR

(a) The Group's loss for the year is stated after charging the following:

	2009 HK$	2008 HK$
Auditor's remuneration		
Audit	**300,000**	220,000
Others	**110,000**	–
	410,000	220,000
Depreciation	**54,035**	–
Impairment loss on available-for-sale financial assets	**78,090**	221,070
Investment management fee	**13,395,122**	5,441,589
Performance fee	**4,989,714**	15,723,254
Operating lease payments in respect of office premises	**871,400**	108,000
Staff costs (including directors' emoluments, Note 13(a))		
Salaries and other benefits	**7,775,263**	1,834,016
Equity-settled share-based payments	**–**	7,174,919
Retirement benefits scheme contributions	**67,295**	31,484
	7,842,558	9,040,419

(b) The loss for the year dealt with in the financial statements of the Company for the year ended 31 March 2009 was HK$19,182,815 (2008: HK$16,777,383) (Note 24(b)).

11 DIVIDEND

The board of directors (the "Board") has resolved not to pay a final dividend (2008: HK$Nil).

12 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss for the year of HK$25,616,045 (2008: HK$16,783,467) and the weighted average number of 728,589,042 (2008: 326,381,694) ordinary shares in issue during the year.

(b) Diluted loss per share

Diluted loss per share for the year ended 31 March 2009 has not been presented as the Company's outstanding warrants and share options had no dilutive effect for the year ended 31 March 2009 as the exercise prices of those warrants and share options were higher than the average market price for shares.

Diluted loss per share for the year ended 31 March 2008 has not been presented as the Company's outstanding warrants during the year ended 31 March 2008 had an anti-dilutive effect on the basic loss per share and the Company's share options had no dilutive effect for the year ended 31 March 2008 as the exercise price of those share options was higher than the average market price for shares.

Notes to the Financial Statements

For the year ended 31 March 2009

13 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to directors of the Company during the year ended 31 March 2009 are as follows:

Name of director	Fees HK$	Salaries and other benefits HK$	Retirement benefits scheme contributions HK$	Share-based payments HK$	Total HK$
Executive directors					
ZHANG Zhi Ping	–	130,000	6,500	–	136,500
ZHANG Gaobo	–	130,000	6,500	–	136,500
Non-executive directors					
LIU Hongru	100,000	–	–	–	100,000
ZHANG Huaqiao*	50,685	–	–	–	50,685
Independent non-executive directors					
KWONG Che Keung, Gordon	150,000	–	–	–	150,000
HE Jia	150,000	–	–	–	150,000
WANG Xiaojun	150,000	–	–	–	150,000
	600,685	260,000	13,000	–	873,685

* Mr. ZHANG Huaqiao resigned on 3 October 2008.

The emoluments paid or payable to directors of the Company during the year ended 31 March 2008 are as follows:

Name of director	Fees HK$	Salaries and other benefits HK$	Retirement benefits scheme contributions HK$	Share-based payments HK$	Total HK$
Executive directors					
ZHANG Zhi Ping	–	130,000	6,500	1,055,136	1,191,636
ZHANG Gaobo	–	130,000	6,500	1,055,136	1,191,636
Non-executive directors					
LIU Hongru	100,000	–	–	–	100,000
ZHANG Huaqiao	36,339	–	–	1,055,136	1,091,475
Independent non-executive directors					
KWONG Che Keung, Gordon	100,000	–	–	–	100,000
HE Jia	100,000	–	–	–	100,000
WANG Xiaojun	100,000	–	–	–	100,000
	436,339	260,000	13,000	3,165,408	3,874,747

13 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS *(continued)*

(a) Directors' emoluments *(continued)*

The emoluments of the directors fell within the following bands:

	2009 Number of directors	2008 Number of directors
HK$Nil – HK$1,000,000	**7**	4
HK$1,000,001 – HK$1,500,000	**–**	3

(b) Senior management's emoluments

Of the five individuals whose emoluments were the highest in the Group for the year, none (2008: 3) was director. The emoluments of the 5 individuals (2008: 2) are as follows:

	2009 HK$	2008 HK$
Salaries and other benefits	**6,771,850**	808,000
Share-based payments	**–**	1,582,705
Retirement benefits scheme contributions	**50,850**	15,000
	6,822,700	2,405,705

Included in the above salaries and other benefits was an amount of HK$1,229,000 (2008: HK$Nil) paid during the year ended 31 March 2009 as an inducement to join the Group.

The emoluments of the 5 individuals (2008: 2) fell within the following bands:

	2009 Number of individual	2008 Number of individual
HK$Nil – HK$1,000,000	**2**	1
HK$1,500,001 – HK$2,000,000	**2**	1
HK$2,500,001 – HK$3,000,000	**1**	–

Notes to the Financial Statements

For the year ended 31 March 2009

14 PROPERTY, PLANT AND EQUIPMENT

Group and Company

	Computer equipment HK$	Office equipment HK$	Furniture HK$	Fixtures HK$	Total HK$
Cost					
At 1 April 2007	30,880	–	–	–	30,880
Write off	(30,880)	–	–	–	(30,880)
At 31 March 2008	–	–	–	–	–
Additions	20,871	1,697	64,576	109,963	197,107
At 31 March 2009	20,871	1,697	64,576	109,963	197,107
Accumulated depreciation					
At 1 April 2007	30,880	–	–	–	30,880
Write off	(30,880)	–	–	–	(30,880)
At 31 March 2008	–	–	–	–	–
Charge for the year	2,174	227	15,970	35,664	54,035
At 31 March 2009	2,174	227	15,970	35,664	54,035
Carrying amount					
At 31 March 2009	**18,697**	**1,470**	**48,606**	**74,299**	**143,072**
At 31 March 2008	–	–	–	–	–

15 INVESTMENTS IN SUBSIDIARIES/AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2009 HK$	2008 HK$
Unlisted shares, at cost	**40**	16
Amounts due from subsidiaries	**406,388,838**	2,996,068

The amounts due from subsidiaries are unsecured, interest-free and have no fixed repayment terms.

15 INVESTMENTS IN SUBSIDIARIES/AMOUNTS DUE FROM SUBSIDIARIES *(continued)*

Details of the principal subsidiaries at 31 March 2009 are as follows:

Name of subsidiary	Place of incorporation and operation	Issued and paid up capital	Percentage of ownership interest/ voting power/ profit sharing	Principal activity
			Direct	
Golden Investor Investments Limited	British Virgin Islands	US$2	100%	Investment holding
Keynew Investments Limited	British Virgin Islands	US$1	100%	Investment holding
Profit Raider Investments Limited	British Virgin Islands	US$1	100%	Investment holding
Suremind Investments Limited	British Virgin Islands	US$1	100%	Investment holding

The above list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

16 INVESTMENTS IN ASSOCIATES

	Group 2009 HK$	Group 2008 HK$
Unlisted shares		
Share of net assets	**59,651,854**	2,990,000

	Company 2009 HK$	Company 2008 HK$
Unlisted shares, at cost	**60,000,000**	–
Impairment losses	**(2,314,991)**	–
	57,685,009	–

Notes to the Financial Statements

For the year ended 31 March 2009

16 INVESTMENTS IN ASSOCIATES *(continued)*

Details of the Group's associates at 31 March 2009 are as follows:

Name of associate	Business structure	Place of incorporation and operation	Particular of Issued shares held	Percentage of ownership interest	Principal activity	Cost HK$	Carrying amount HK$	Net assets attributable to the Group HK$
CSOP Asset Management Limited ("CSOP")	Corporate	Hong Kong	60,000,000 ordinary shares of HK$1.00 each (2008: Nil)	30% (2008: Nil)	Asset management	60,000,000 (2008: Nil)	57,685,009 (2008: Nil)	57,685,009 (2008: Nil)
OP Calypso Capital Limited (formerly known as Calypso Capital Limited) ("CHK")	Corporate	Hong Kong	1,464,300 ordinary shares of HK$1.00 each (2008: Nil)	30% (Note) (2008: Nil)	Asset management	1,464,300 (2008: Nil)	276,595 (2008: Nil)	276,595 (2008: Nil)
OP Calypso Capital (Cayman) Limited (formerly known as Calypso Capital (Cayman) Limited) ("CC")	Corporate	Cayman Islands	600 ordinary shares of US$1.00 each (2008: Nil)	30% (Note) (2008: Nil)	Asset management	4,682 (2008: Nil)	4,682 (2008: Nil)	4,682 (2008: Nil)
Guotai Junan Fund Management Limited	Corporate	Hong Kong	2,990,000 ordinary shares of HK$1.00 each (2008: 2,990,000 ordinary shares of HK$1.00 each)	29.9% (2008: 29.9%)	Asset management	2,990,000 (2008: 2,990,000)	1,685,568 (2008: 2,990,000)	1,685,568 (2008: 2,990,000)

Note: According to the Memorandum and Articles of Association of CHK and CC, every holder of ordinary shares is entitled to one vote for every ordinary share held. However, the holders of ordinary shares are not entitled to any dividend on their ordinary shares and the net profits of CHK and CC available for distribution by way of dividend are distributed among the holders of preference shares only.

16 INVESTMENTS IN ASSOCIATES *(continued)*

Summarised financial information in respect of the Group's associates (based on the management accounts of the associates) is set out below:

	2009 HK$	2008 HK$
At 31 March		
Total assets	**202,057,980**	10,000,000
Total liabilities	**(1,616,638)**	–
Net assets	**200,441,342**	10,000,000
Group's share of associates' net assets	**59,651,854**	2,990,000
Year ended 31 March		
Total revenue	**8,927,718**	–
Total loss for the year	**(9,962,394)**	–
Group's share of associates' loss for the year	**(4,807,128)**	–

17 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group 2009 HK$	Company 2009 HK$	Group and Company 2008 HK$
Unlisted equity securities, at fair value	**209,157,031**	**–**	–
Unlisted equity securities, at cost	**778,000**	**778,000**	853,000
Impairment losses	**(299,160)**	**(299,160)**	(296,070)
	478,840	**478,840**	556,930
	209,635,871	**478,840**	556,930

During the year, net unrealised gain of HK$41,460,992 (2008: HK$Nil) arising from changes in fair value of available-for-sale financial assets was recognised directly in the investment revaluation reserve.

Notes to the Financial Statements

For the year ended 31 March 2009

17 AVAILABLE-FOR-SALE FINANCIAL ASSETS *(continued)*

Details of the Group's investments in unlisted equity securities at 31 March 2009 are as follows:

Unlisted equity securities, at fair value

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$	Carrying amount HK$	Percentage of total assets of the Group	Net assets attributable to the Group HK$
(a) CHK	Hong Kong	1,000 non-voting preference shares of HK$1.00 each (2008: Nil)	100% (2008: Nil)	4,519,000 (2008: Nil)	8,257,169# (2008: Nil)	0.92%	1,000
(b) CC	Cayman Islands	100 non-voting preference shares of USD1.00 each (2008: Nil)	100% (2008: Nil)	21,184,392 (2008: Nil)	20,884,392# (2008: Nil)	2.32%	1,582,038
(c) Glimmer Stone Investments Limited	British Virgin Islands	38,200 non-voting preference shares of USD0.10 each (2008: Nil)	38.2% of non-voting preference shares (2008: Nil)	145,351,000 (2008: Nil)	180,015,470# (2008: Nil)	19.98%	180,015,470 (2008: Nil)

Unlisted equity securities, at cost less impairment

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$	Carrying amount HK$	Percentage of total assets of the Group	Net assets attributable to the Group HK$
(d) Pacific Life Science Holdings Limited	Cayman Islands	1,000,000 ordinary shares of USD0.10 each (2008: 1,000,000 ordinary shares of USD0.10 each)	7.40% (2008: 7.40%)	778,000 (2008: 778,000)	478,840# (2008: 556,930)	0.05% (2008: 0.07%)	478,840 (2008: 556,930)

The carrying amounts also represent their fair values.

17 AVAILABLE-FOR-SALE FINANCIAL ASSETS *(continued)*

A brief description of the business and financial information of the unlisted investees, is as follows:

(a) The Company through a subsidiary, Suremind Investments Limited, holds 100% non-voting preference shares in CHK. No dividend was received during the year. The unaudited profit for the year ended 31 March 2009 of CHK was approximately HK$206,000 and the unaudited net asset value of CHK at 31 March 2009 was approximately HK$923,000. The fair value of 100% non-voting preference shares in CHK at 31 March 2009 was determined by reference to the valuation carried out by an external independent valuer by using the Discounted Cash Flow Method which is based on the cash flow forecasts prepared by the management of CHK derived from the most recent approved financial budgets for the next 9.75 years. The discount rate and growth rate used is 8.81% and 3% respectively.

(b) The Company through a subsidiary, Suremind Investments Limited, holds 100% non-voting preference shares in CC. No dividend was received during the year. The unaudited profit for the year ended 31 March 2009 of CC was approximately HK$1,911,000 and the unaudited net asset value of CC at 31 March 2009 was approximately HK$1,598,000. The fair value of 100% non-voting preference shares in CC was determined by reference to the valuation carried out by an external independent valuer by using the Discounted Cash Flow Method which is based on the cash flow forecasts prepared by the management of CC derived from the most recent approved financial budgets for the next 9.75 years. The discount rate and growth rate used is 8.81% and 3% respectively.

(c) The Company through a subsidiary, Profit Raider Investments Limited, holds 38.2% non-voting preference shares in Glimmer Stone Investments Limited ("GSIL"). GSIL is an investment holding company. According to the Memorandum and Articles of Association of GSIL, the holders of non-voting preference shares are not entitled to receive notice of, to attend or vote at meetings of members but are entitled to participate in the profits of GSIL and (subject to a return of capital to the holders of ordinary shares) in the surplus assets of GSIL on a winding up or otherwise. No dividend was received during the year. The unaudited profit for the year ended 31 March 2009 of GSIL was approximately HK$72,107,000 and the unaudited net asset value of GSIL at 31 March 2009 was approximately HK$471,323,000. The fair value of the investment in GSIL is determined mainly based on the quoted market bid prices of the underlying listed investments held by GSIL and fair value of the underlying unlisted investments held by GSIL, determined by reference to the valuation carried out by an external independent valuer by financial models including the Discounted Cash Flow Method and Binomial Option Pricing Model.

(d) Pacific Life Science Holdings Limited ("PACIFIC LIFE SCIENCE") is a holding company for private ventures in the life sciences industry in Asia. PACIFIC LIFE SCIENCE seeks to bring selected high potential North American life sciences projects to the Asian market in a form of joint venture with North American parent company. No dividend was received during the year. The unaudited loss for the year of PACIFIC LIFE SCIENCE for the year ended 31 March 2009 was approximately HK$1,062,000 (2008: HK$2,504,000) and the unaudited net asset value of PACIFIC LIFE SCIENCE at 31 March 2009 was approximately HK$6,464,000 (2008: HK$7,526,000). As reasonable fair value assessment cannot be made, the investment in PACIFIC LIFE SCIENCE is stated at cost less impairment losses at the balance sheet date.

Notes to the Financial Statements

For the year ended 31 March 2009

18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group 2009 HK$	Company 2009 HK$	Group and Company 2008 HK$
Equity securities listed in Hong Kong, at fair value	**7,293,000**	**7,293,000**	9,000
Unlisted equity securities, at fair value	**23,322**	**–**	–
Unlisted investment funds, at fair value	**230,263,358**	**–**	–
	237,579,680	**7,293,000**	9,000

The investments in listed equity securities and unlisted investment funds are classified as held for trading, whereas the investments in unlisted equity securities are designated as financial assets at fair value through profit or loss on initial recognition.

During the year, net unrealised loss of HK$7,140,368 (2008: net unrealised gain of HK$9,000) arising from changes in fair value of financial assets at fair value through profit or loss was recognised in the consolidated income statement.

Details of the Group's investments in listed equity securities and unlisted investments at 31 March 2009 are as follows:

At 31 March 2009

Equity securities listed on the Stock Exchange

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$	Market value HK$	Unrealised gain/(loss) HK$	Percentage of total assets of the Group	Net assets attributable to the Group HK$
(a) CHINA DATA	Bermuda	5,000,000 ordinary shares of HK$0.025 each	1.57%	9,534,875	Nil	Nil	Nil	N/A
(b) KITH Holdings Limited	Bermuda	3,300,000 ordinary shares at HK$0.10 each	1.26%	10,531,726	7,293,000	(3,238,726)	0.81%	5,929,711

Unlisted equity securities

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$	Carrying amount HK$	Unrealised gain/(loss) HK$	Percentage of total assets of the Group	Net assets attributable to the Group HK$
(c) GSIL	British Virgin Islands	29,900 ordinary shares of USD0.10 each	29.90% of ordinary shares	23,322	23,322#	Nil	Nil	23,322

18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

Unlisted investment funds

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$	Carrying amount HK$	Unrealised gain/(loss) HK$	Percentage of total assets of the Group	Net assets attributable to the Group HK$
(d) Asian Special Opportunities Fund	Cayman Islands	150,000 participating shares of USD0.01 each	N/A	117,082,500	110,153,773#	(6,928,727)	12.22%	110,153,773
(d) Calypso Asia Fund	Cayman Islands	150,000 participating shares of USD0.01 each	N/A	117,082,500	120,109,585#	3,027,085	13.33%	120,109,585

The carrying amounts also represent their fair values.

At 31 March 2008

Equity securities listed on the Stock Exchange

Name of investee	Place of incorporation	Particular of issued shares/ warrants held	Proportion of investee's capital owned	Cost HK$	Market value HK$	Unrealised gain HK$	Percentage of total assets of the Group	Net assets attributable to the Group HK$
CHINA DATA	Bermuda	5,000,000 ordinary shares of HK$0.025 each	1.57%	9,534,875	Nil	Nil	Nil	N/A
Listed warrants issued by Man Yue International Holdings Limited	N/A	30,000 warrants for subscription of 30,000 ordinary shares at HK$2.25 per share	N/A	–	9,000	9,000	Nil	N/A

A brief description of the business and financial information of the investments in listed equity securities and unlisted investments is as follows:

(a) CHINA DATA is principally engaged in the trading of consumer electronic products and the related parts and components. No dividend was received during the year. The audited profit attributable to shareholders of CHINA DATA for the year ended 31 December 2008 was approximately HK$5,702,000 and the audited net liabilities attributable to shareholders of CHINA DATA at 31 December 2008 was approximately HK$7,403,000. Due to the trading in shares of CHINA DATA on the Stock Exchange has been suspended for more than 4 years since 28 December 2004 and based on the latest published financial information of CHINA DATA, the directors are of opinion that the fair value of the investment in CHINA DATA was nil at 31 March 2009.

Notes to the Financial Statements

For the year ended 31 March 2009

18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(continued)*

(b) Kith Holdings Limited ("KITH") is principally engaged in the printing and manufacturing of packaging products, distribution of electronic components and miscellaneous products. The Company received a dividend income of HK$72,600 during the year. The audited profit attributable to shareholders of KITH for the year ended 31 December 2008 was approximately HK$37,951,000 and the audited net asset value attributable to shareholders of KITH at 31 December 2008 was approximately HK$470,612,000. The fair value of the investment in KITH is based on quoted market bid prices.

(c) The Company through a subsidiary, Profit Raider Investments Limited, holds 29.9% ordinary shares in GSIL. According to the Memorandum and Articles of Association of GSIL, the holders of ordinary shares are entitled to vote at meetings of members but are not entitled to participate in the profits or surplus asset of GSIL on a winding up or otherwise. The directors consider that, at 31 March 2009, the carrying amount of such investment in GSIL approximates its fair value.

(d) Both Asian Special Opportunities Fund and Calypso Asia Fund are open ended funds which primary objective is to provide absolute returns through pursuing a long short strategy, investing primarily in liquid equities and derivative instruments available in the Asia Pacific markets, with an emphasis on the Greater China region where there is potential for significant capital gains. No dividend was received during the year. The unaudited net asset values of Asian Special Opportunities Fund and Calypso Asia Fund at 31 March 2009 were approximately US$14,213,000 and US$17,462,000 respectively. The fair values of such unlisted investment funds were established by reference to the prices quoted by fund administrator.

19 DEFERRED TAX

At the balance sheet date, the following unused tax losses and accelerated tax depreciation have not been recognised by the Group:

	Group and Company	
	2009	2008
	HK$	HK$
Unused tax losses	**22,049,280**	18,845,809
Accelerated tax depreciation	**(15,122)**	–
	22,034,158	18,845,809

At 31 March 2009, the Group has not recognised deferred tax asset in respect of unused tax losses of HK$22,049,280 (2008: HK$18,845,809) due to the unpredictability of future profit streams.

At 31 March 2009, the Group has not recognised deferred tax liability in respect of accelerated tax depreciation over tax allowance of HK$15,122 (2008: HK$Nil). The unrecognised deferred liability was offset with the unrecognised deferred tax asset for the year.

20 OTHER FINANCIAL LIABILITIES

Group and Company

On 7 August 2008, the Group acquired 30% of the issued ordinary shares and 100% of the issued non-voting preference shares in each of CHK and CC. The consideration comprised the initial issuance of 5,500,000 new shares of the Company on 7 August 2008, the issuance of additional 4,500,000 consideration shares and the grant of consideration share options for 20,000,000 shares of the Company (subject to the achievement of certain vesting conditions as described in the announcement of the Company dated 26 June 2008). At 31 March 2009, the requirement of the issuance of additional 4,500,000 consideration shares was discharged due to the vesting conditions were not met. The consideration share options were accounted for as derivatives until they are extinguished and charged to equity when the definition of equity under Hong Kong Accounting Standard 32 "Financial Instruments: Presentation" is met. The fair value of the consideration share options was determined by reference to the valuation carried out by an external independent valuer under the Binominal Option Pricing Model with the following variables and assumptions:

(a) Risk-free rate: 1.53%

(b) Expected volatility: 94.13%

(c) Expected life of the options: 4.35 years

(d) Expected dividend yield: 0.00%

During the year ended 31 March 2009, fair value gain of HK$9,628,063 (2008: HK$Nil) arising from changes in fair value of other financial liabilities was recognised in the consolidated income statement.

Notes to the Financial Statements

For the year ended 31 March 2009

21 SHARE CAPITAL

	Note	Number of shares 2009	Number of shares 2008	HK$ 2009	HK$ 2008
Ordinary shares of HK$0.10 each					
Authorised:					
At beginning of the year		**2,000,000,000**	200,000,000	**200,000,000**	20,000,000
Increase during the year		**–**	1,800,000,000	**–**	180,000,000
At end of the year		**2,000,000,000**	2,000,000,000	**200,000,000**	200,000,000
Issued and fully paid:					
At beginning of the year		**700,500,000**	100,000,000	**70,050,000**	10,000,000
Issue of shares for investments in associates and available-for-sale financial assets	(a)	**5,500,000**	–	**550,000**	–
Issue of shares by placing	(b)	**78,500,000**	600,000,000	**7,850,000**	60,000,000
Exercise of warrants		**–**	500,000	**–**	50,000
At end of the year		**784,500,000**	700,500,000	**78,450,000**	70,050,000

(a) On 7 August 2008, 5,500,000 new ordinary shares were issued and allotted as fully paid at the issue price of HK$1.08 per share to acquire 30% of the issued ordinary shares and 100% of the issued non-voting preference shares in each of CHK and CC. CHK and CC are asset management companies incorporated in Hong Kong and the Cayman Islands respectively. The new shares rank pari passu in all respects with the existing shares of the Company and resulted in an increase in share premium of HK$5,390,000 (Note 24(b)).

(b) On 8 December 2008, 78,500,000 new ordinary shares were issued and allotted to Primus Pacific Partners Investments 2 Limited at the subscription price of HK$1.50 per share. The new shares of HK$0.10 each rank pari passu in all respects with the existing shares of the Company. The net proceeds from the placing (after deducting share issue expenses of HK$1,041,603) was HK$116,708,397 and resulted in an increase in share premium of HK$109,900,000 (Note 24(b)).

Capital Management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it, in light of change in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2009 and 2008.

Neither the Company nor its subsidiaries is subject to externally imposed requirements.

22 SHARE OPTION SCHEME

Under the Share Option Scheme adopted on 19 March 2003 and refreshed on 21 January 2008, the Board may at any time following the date of adoption and before the tenth anniversary thereof, offer to grant to certain selected classes of participants (including, among others, full-time employees) of the Company, an option to subscribe for shares as incentives or rewards for their contribution to the Company. The subscription price will be determined by the Board (subject to adjustment), and will not be less than the highest of (a) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (b) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet for the five trading days immediately preceding the date of grant; and (c) the nominal value of the shares of the Company. A nominal consideration of HK$1 is payable on acceptance of the grant of an option. The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under this scheme and any other share option schemes adopted by the Company may not exceed 10% of the share capital of the Company in issue. An option may be accepted by a participant within 21 days from the date of the offer of grant of the option. An option may be exercised in accordance with the terms of the share option scheme at any time not later than 10 years from the date on which the offer for grant of the option is made.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following table shows the movement of the Company's share options during the year ended 31 March 2009:

Grantee	Date of grant	Outstanding at beginning of the year	Granted during the year	Lapsed during the year	Outstanding at end of the year	Exercise price	Exercise Period
Directors	20 December 2007	3,000,000	–	(1,000,000)	2,000,000	HK$1.974	20 December 2007 – 20 December 2010
Employees	20 December 2007	3,800,000	–	–	3,800,000	HK$1.974	20 December 2007 – 20 December 2010
		6,800,000	–	(1,000,000)	5,800,000		

No share option was granted and 1,000,000 share options were lapsed during year ended 31 March 2009.

Movement of the Company's share options during the year ended 31 March 2008:

Grantee	Date of grant	Outstanding at beginning of the year	Granted during the year	Lapsed during the year	Outstanding at end of the year	Exercise price	Exercise Period
Directors	20 December 2007	–	3,000,000	–	3,000,000	HK$1.974	20 December 2007 – 20 December 2010
Employees	20 December 2007	–	3,800,000	–	3,800,000	HK$1.974	20 December 2007 – 20 December 2010
		–	6,800,000	–	6,800,000		

Notes to the Financial Statements

For the year ended 31 March 2009

22 SHARE OPTION SCHEME *(continued)*

6,800,000 share options were granted on 20 December 2007. In assessing the fair value of the share options granted and fully accepted, the Black-Scholes Option Pricing Model has been used.

Date of grant: 20 December 2007
Exercise period: 20 December 2007 – 20 December 2010
Exercise price: HK$1.974

Grantee	Date of grant	Number of share options granted	Share options valued at HK$ (Note c)	Number of share options at 31 March 2008
Directors	20 December 2007	3,000,000	3,165,408	3,000,000
Employees	20 December 2007	3,800,000	4,009,519	3,800,000
		6,800,000	7,174,927	6,800,000

Notes:

(a) There is no vesting period of the share options from the date of grant.

(b) The closing prices of the ordinary shares of the Company immediately before the date on which the options were granted was HK$1.95 on 20 December 2007.

(c) The Black-Scholes Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions. The theoretical aggregate value of the options was estimated at HK$7,174,927 as at 20 December 2007 (when the options were granted) with the following variables and assumptions:

Risk free interest rate: 2.607%
Expected volatility: 92.535%
Expected life of the options: 3 years from the date of grant
Expected dividend yield: 2.457%

Options forfeited, if any, before the expiry of the options will be treated as lapsed options which will be added back to the number of ordinary shares available to be issued under the Share Option Scheme.

23 WARRANTS

On 15 November 2007, the Company issued 120,000,000 unlisted warrants pursuant to the placement of shares completed on 15 November 2007, with an aggregate subscription amount of HK$144,000,000. Each of the warrant-holder is entitled to subscribe for one ordinary share of the Company of HK$0.10 each at the initial subscription price of HK$1.20 (subject to adjustment (if any)) during the period from 15 November 2007 to 14 November 2008 (both dates inclusive). During the year, no warrants were exercised and all the 119,500,000 outstanding warrants were lapsed.

24 RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of changes in equity.

24 RESERVES *(continued)*

(b) Company

	Note	Share premium HK$	Share-based payment reserve HK$	Retained profits/ (Accumulated losses) HK$	Final dividend proposed HK$	Total HK$
At 1 April 2007		36,593,108	–	9,647,305	5,000,000	51,240,413
Issue of shares by placing		660,000,000	–	–	–	660,000,000
Share issue expenses		(18,952,745)	–	–	–	(18,952,745)
Exercise of warrants		550,000	–	–	–	550,000
Recognition of equity-settled share-based payments		–	7,174,927	–	–	7,174,927
Loss for the year		–		(16,777,383)	–	(16,777,383)
2007 final dividend paid		–	–	–	(5,000,000)	(5,000,000)
At 31 March 2008		678,190,363	7,174,927	(7,130,078)	–	678,235,212
Share options lapsed		–	(1,055,136)	1,055,136	–	–
Issue of shares for investments in associates and available-for-sale financial assets	21(a)	5,390,000	–	–	–	5,390,000
Issue of shares by placing	21(b)	109,900,000	–	–	–	109,900,000
Share issue expenses	21(b)	(1,041,603)	–	–	–	(1,041,603)
Loss for the year		–	–	(19,182,815)	–	(19,182,815)
At 31 March 2009		**792,438,760**	**6,119,791**	**(25,257,757)**	**–**	**773,300,794**

The Company's reserves available for distribution comprise share premium, share-based payment reserve and retained profits/accumulated losses. In the opinion of the directors, the Company's reserves available for distribution to the shareholders at 31 March 2009 were HK$773,300,794 (2008: HK$678,235,212).

Notes to the Financial Statements

For the year ended 31 March 2009

24 RESERVES *(continued)*

(c) Nature and purpose of reserves

(i) Share premium account

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company subject to the provisions of the Memorandum and Articles of Association and provided that the Company is able to pay its debts as they fall due in the ordinary course of business immediately following the distribution of dividends.

(ii) Share-based payment reserve

The share-based payment reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees and other eligible participants of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payments in Note 3(o) to the financial statements.

(iii) Investment revaluation reserve

The investment revaluation reserve comprises the cumulative net change in fair value of available-for-sale financial assets held at the balance sheet date and is dealt with in accordance with the accounting policy in note 3(g)(ii) to the financial statements.

25 NET ASSET VALUE PER SHARE

The net asset value per share is calculated by dividing the net asset value of the Group at 31 March 2009 of HK$886,772,472 (2008: HK$748,279,128) by the number of ordinary shares in issue at that date, being 784,500,000 (2008: 700,500,000).

26 MAJOR NON-CASH TRANSACTIONS

During the year, the acquisition of 30% of the issued ordinary shares and 100% of the issued non-voting preference shares in each of CHK and CC with a total investment cost of 27,172,374 was satisfied by the initial issuance of 5,500,000 new shares of the Company on 7 August 2008, the issuance of additional 4,500,000 consideration shares and the grant of consideration share options for 20,000,000 shares of the Company (subject to the achievement of certain vesting conditions as described in the announcement of the Company dated 26 June 2008).

27 LEASE COMMITMENTS

At 31 March 2009, the total future minimum lease payments under non-cancellable operating lease for office premises are payable as follows:

	Group and Company	
	2009	2008
	HK$	HK$
Within one year	**940,800**	9,000
In the second to fifth years inclusive	**78,400**	–
	1,019,200	9,000

28 RELATED PARTY TRANSACTIONS

During the year, the Group had entered into the following significant related party transactions:

Transactions and balances with related parties

Name of related party	Nature of transactions and balances	2009 HK$	2008 HK$
Oriental Patron Asia Limited ("OPAL") (Note a)	Investment management fee paid/payable (of which HK$1,214,892 (2008: HK$971,861) was included in accrued charges) (Note d)	**13,395,122**	5,441,589
OPAL	Accrued performance fee (Note d)	**4,989,714**	15,723,254
OPAL	Advisory fee paid (Note e)	**100,000**	70,000
OPAL	Placing commission and documentation fee paid (Note f)	**874,250**	18,000,000
OPAL	Loan interest paid (Note g)	**3,740**	–
Oriental Patron Securities Limited ("OPSL") (Note b)	Commission paid (Note h)	**73,880**	231,566
OPSL	Amount due from a broker	**–**	4,237,211
Oriental Patron Finance Limited ("OPFL") (Note c)	Rental paid (Note i)	**871,400**	108,000
CSOP	Loan interest income received (Note j)	**54,722**	–

Notes:

(a) OPAL (trading as Oriental Patron Fund Management for its fund management activities) is the investment manager of the Company and is a wholly owned subsidiary of Oriental Patron Financial Services Group Limited ("OPFSGL"). In the prior year, it was a fellow subsidiary of the Company. Upon the completion of the placement of shares (Note 21(b)) on 8 December 2008, OPAL is considered as a related company of the Group as the directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo have significant influence in OPFSGL.

(b) OPSL is a wholly owned subsidiary of OPFSGL. In the prior year, it was a fellow subsidiary of the Company. Upon the completion of the placement of shares (Note 21(b)) on 8 December 2008, OPAL is considered as a related company of the Group as the directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo have significant influence in OPFSGL.

(c) OPFL is a related company; the directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo have significant influence in OPFL.

(d) Investment management fee and performance fee are charged in accordance with the agreement with OPAL for investment management services. The investment management fee was calculated at 1.5% per annum on the Net Asset Value of the Group at each preceding month end as defined in the agreement. Performance fee represented 10% of the net increase in the Net Asset Value per share at the Performance Fee Valuation Day as defined in the agreement.

(e) Pursuant to an agreement dated 24 June 2008, the Company appointed OPAL to act as the financial adviser in respect of the acquisition of the associates, CHK and CC.

(f) Pursuant to the placing agreement dated 1 December 2008, the Company appointed OPAL to act as the placing agent and paid OPAL a commission at 0.7% of the aggregate placing price. The placing commission together with the documentation fee, being share issue expenses, were debited to the share premium account.

(g) The Company raised a loan of HK$14 million from OPAL for the period from 11 July 2008 to 15 July 2008 which was interest bearing at 1.95% per annum.

(h) The commission fee was charged on the sale and purchase transactions of listed securities through OPSL.

(i) The Company entered into a licence agreement with OPFL on 30 April 2008 in respect of the provision of the principal place of business of the Company for the period from 1 May 2008 to 30 April 2009 for a monthly rental of HK$78,400. Such licence agreement was renewed on 13 March 2009 under the same terms and conditions for a further one year to 30 April 2010.

(j) The Company advanced an unsecured loan of HK$2,000,000 to its associate, CSOP, for the period from 20 May 2008 to 3 December 2008 which was interest bearing at 5% per annum.

Notes to the Financial Statements

For the year ended 31 March 2009

28 RELATED PARTY TRANSACTIONS *(continued)*

Compensation of key management personnel

The key management personnel of the Company comprises all directors, details of their remuneration are disclosed in Note 13(a) to the financial statements.

29 RETIREMENT BENEFITS SCHEME

The Group makes contributions to a defined contribution Mandatory Provident Fund Scheme (the "Scheme") under the Mandatory Provident Fund Schemes Ordinance which is available for all eligible employees in Hong Kong. The assets of the Scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs to the Scheme, which contribution is matched by employees.

During the year, the Group's contributions charged to the consolidated income statement amounted to HK$67,295 (2008: HK$31,484).

30 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board on 21 July 2009.

Financial Summary

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out below. This summary does not form part of the audited financial statements.

	Year ended 31 March				
	2009	2008	2007	2006	2005
	HK$	HK$	HK$	HK$	HK$
RESULTS					
Turnover	**7,663,547**	9,464,047	1,438,316	792,323	278,412
(Loss)/Profit before tax	**(25,616,045)**	(16,783,467)	9,454,185	8,182,257	(5,438,724)
Income tax	**–**	–	(1,403,099)	(307,090)	1,226
(Loss)/Profit for the year	**(25,616,045)**	(16,783,467)	8,051,086	7,875,167	(5,437,498)

	At 31 March				
	2009	2008	2007	2006	2005
	HK$	HK$	HK$	HK$	HK$
ASSETS AND LIABILITIES					
Total assets	**901,074,657**	765,215,774	63,018,835	54,246,935	48,043,717
Total liabilities	**(14,302,185)**	(16,936,646)	(1,778,422)	(1,057,608)	(2,729,557)
Net assets	**886,772,472**	748,279,128	61,240,413	53,189,327	45,314,160