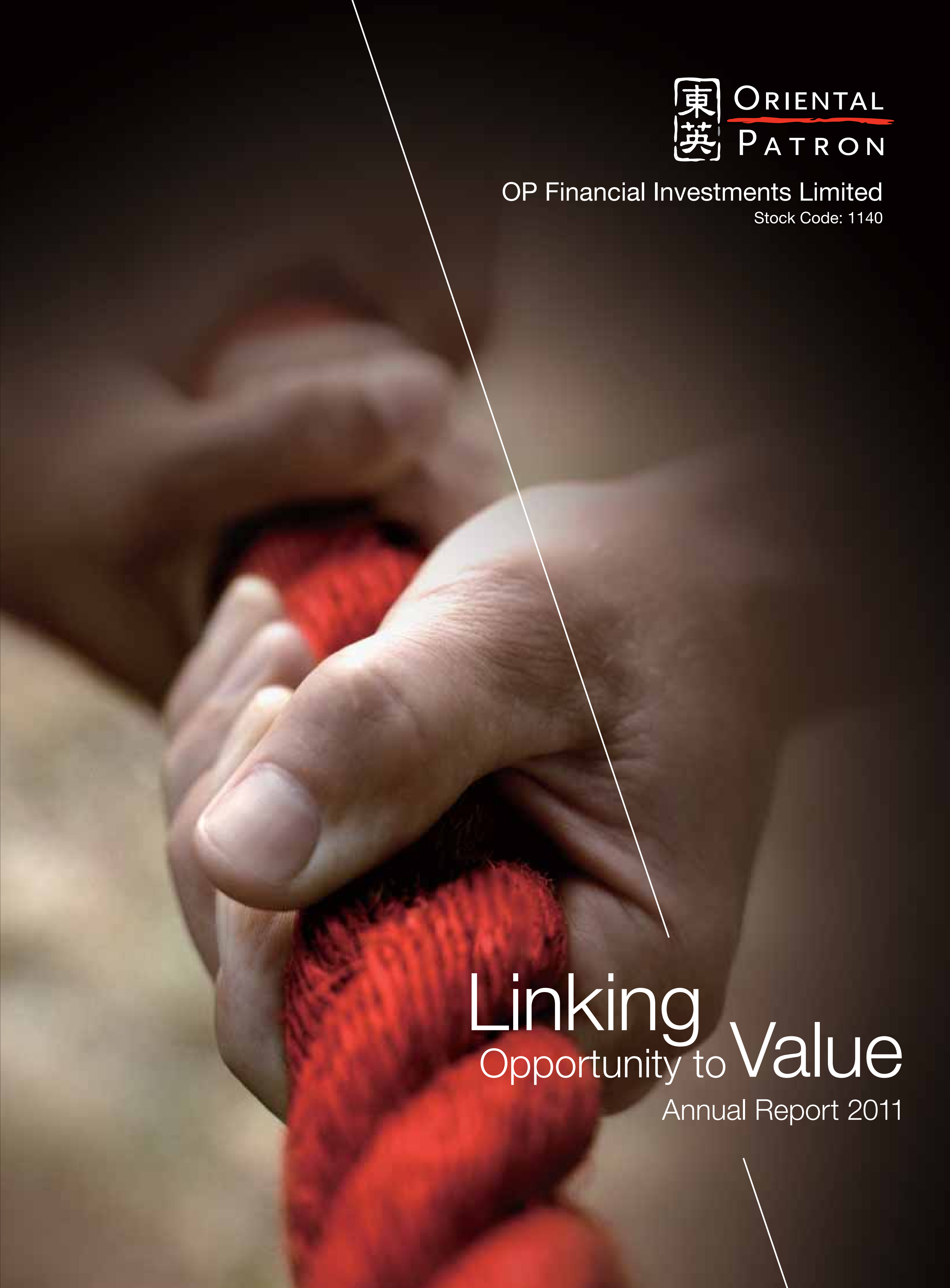

東英 ORIENTAL PATRON

OP Financial Investments Limited

Stock Code: 1140

Linking Opportunity to Value

Annual Report 2011

Linking Opportunity to Value

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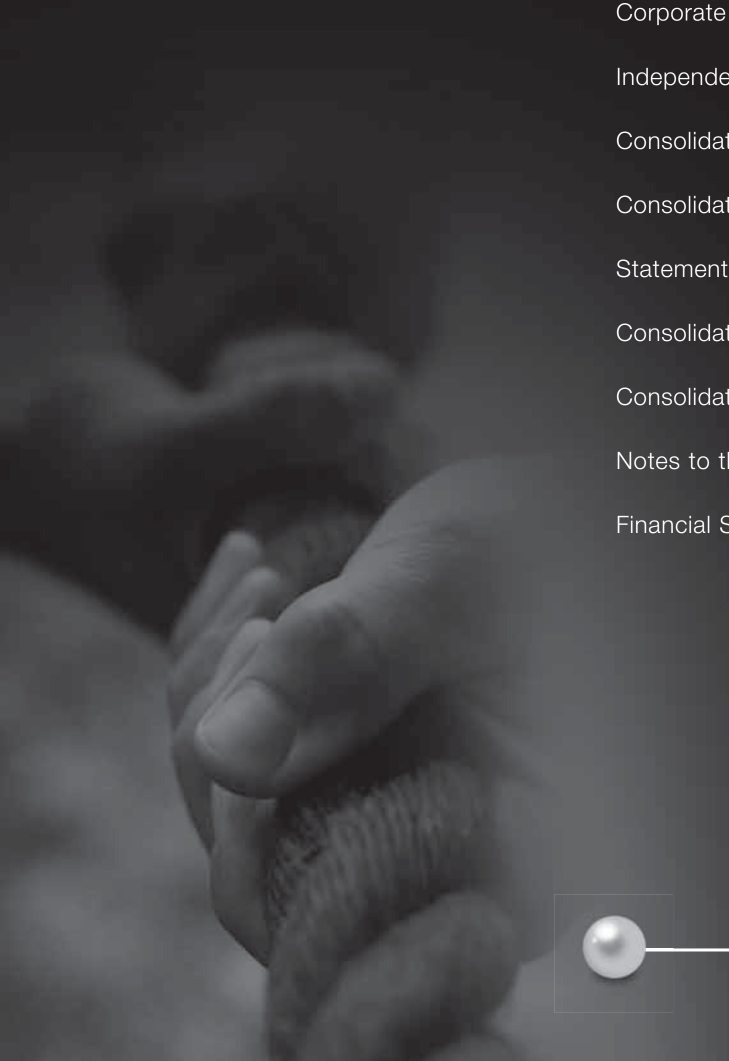


Corporate Information

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 Asia Limited

AUDITOR

PricewaterhouseCoopers (appointed on 7 September 2010)
RSM Nelson Wheeler (resigned on 7 September 2010)

PRINCIPAL REGISTRARS

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 609
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

Dear Shareholders,

In the financial year 2011, our net assets remained relatively stable at approximately HK$1.59 billion, compared to HK$1.48 billion in 2010. We incurred a net loss of HK$233 million in 2011.

Kaisun Energy's decline in share price made the most apparent impact to our growth. Yet fundamentally, Kaisun Energy's business is sound and performed well this year. Its Inner-Mongolian mines are reporting its first year of operational income.

Kaisun Energy's extraction project is progressing smoothly, and it also expanded and diversified its portfolio through a new coal mine acquisition in Tajikistan.

Our other investments remain fundamentally healthy as well.

Nobel Oil Group, our co-investment with China Investment Corporation ("CIC"), with increased reserves, is looking forwarding to a positive year, and with oil prices recovering in strength in the second half, listing conditions are favorable.

Jin Dou's feasibility studies and trial planting in the Agri-sector in Kazakhstan, our second joint investment project with CIC, are showing very promising results. We believe both Jin Dou and Nobel Oil will reach new milestones in this coming year.

Meichen Finance, our investment in the Insurance brokerage business, is expanding at an accelerated pace. Its distribution network now covers over 16 cities across 10 provinces, and we believe this investment captures the great potential in China's financial retail market.

Our partnerships with China Southern Fund Management Company and Guotai Junan continue to deliver returns. Our joint venture investment company, CSOP, is aggressively expanding their product portfolio, notably with a recently launched RMB bond fund.

Looking forward, we remain opportunistic with quality assets, a strong cash position and low gearing to take advantage of new deals as they surface. Despite the results of 2011, the management firmly believes that by building a comprehensive investment platform, we are well positioned to help growing Chinese enterprises with their outbound investments — creating sustainable long term value for our shareholders.

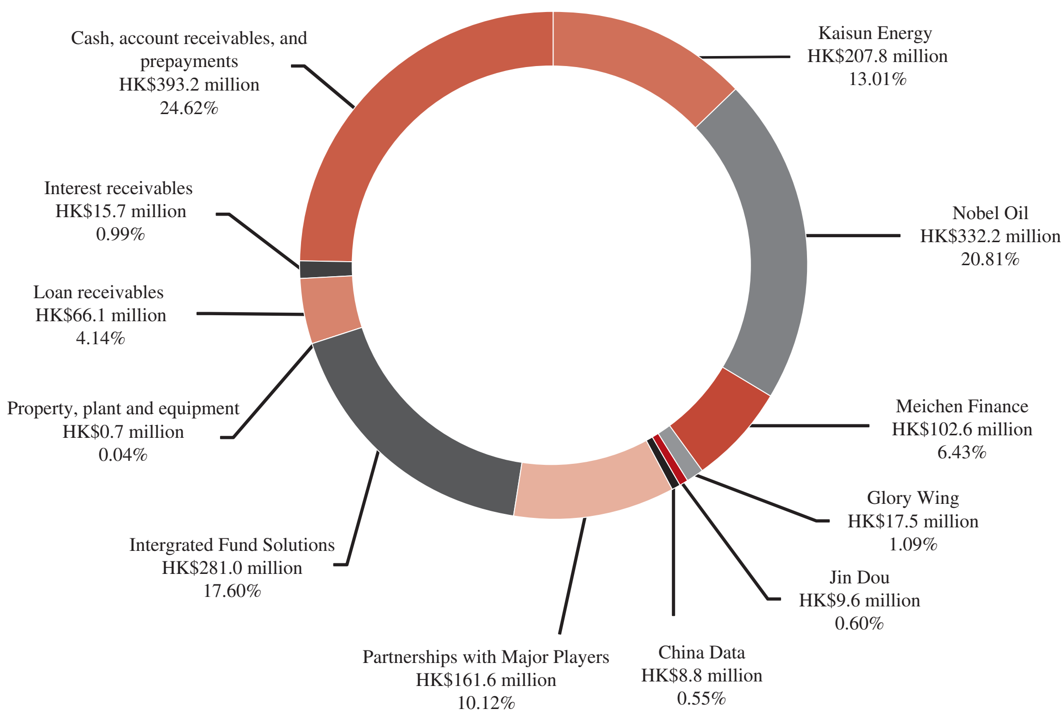
Sincerely yours,
ZHANG ZHI PING

Management Discussion and Analysis

OP Financial is a Hong Kong listed investment company with the mandate to invest in various assets, financial instruments, and businesses globally. We produce medium to long term shareholder returns by developing customized investment solutions for and alongside institutional and corporate investors in the region. Our co-investors are mainly large financial institutions and organizations who target either high growth opportunities within China or strategic investments outside the region. We also invest in funds of listed and unlisted equities to generate diversified returns. Over time, these funds will serve as the foundation of a marketable proprietary financial services platform catered towards attracting new investment partners.

Our two main investment focuses include Direct Investment Solutions and the development of our Financial Services Platform. Direct Investment Solutions includes both our proprietary investments as well as the managed investments on behalf of other investors. These investments target strategic resources and related businesses globally, but they may also include high growth medium sized businesses in China. The Financial Services Platform includes: (i) "Partnerships with Major Players"; these are joint ventures with financial institutions, and (ii) "Integrated Fund Solutions"; which focuses on developing asset managers and fund incubation strategies.

Investment holdings by source
Total assets HK$1.597 billion (as at 31 March 2011)



DIRECT INVESTMENT SOLUTIONS

Kaisun Energy

Kaisun Energy Group Limited ("Kaisun Energy") is an integrated coking coal producer which operates a coal mine in Inner Mongolia with total resources reserves of 130.65 million tonnes (based on recent studies conducted under JORC standards). This represents an increase of approximately 32% from the previously estimated 99.6 million tonnes (based on the PRC coal resource standard). As at 31 March 2011, Kaisun Energy's share price closed at HK$0.41 per share down from HK$1.12 per share as at 31 March 2010. While we had sold down a substantial portion of our shares in 2009, the contraction in the remaining holdings negatively impacted the net asset value ("NAV") by HK$230.18 million. The equity portion fell 63% from HK$144.77 million to HK$53 million. The stock price decline also reduced the convertible bond valuation by 47% from HK$293.23 million to HK$154.82 million.

It is worth noting that Kaisun Energy has adjusted its accounting period ending 31 March to 31 December to accommodate its subsidiary jurisdiction accounting practice in Mengxi. Therefore, Kaisun Energy's 2010 annual report recorded turnover of HK$59.62 million only accounts for 9 months of the results. Compared to a turnover for the year ended 31 March 2010 of HK$14.35 million, the company is progressing well, since this is the company's first year of operational income from its new mining operations in Inner Mongolia. Reported delays during the period were largely a result of government cessations unrelated to the company's operation – such as the flooding incident in neighbouring mines and national gaming events.

In March 2011, Kaisun Energy completed the acquisition of Saddleback Mining Ltd. ("Saddleback"), which owns a bituminous coal mine and an anthracite mine with resources of 17.5 million tonnes and 158 million tonnes reserves respectively. The transaction completed for a consideration of HK$174.98 million, a combination of cash and shares. Saddleback's assets are located near Xinjiang on the ancient Silk Road, where the PRC government has targeted for redevelopment. Conveniently, the mines have access to developed transport infrastructure routes to China, making it an excellent addition to Kaisun Energy's portfolio.

Nobel Oil

The Group successfully arranged a co-investment with China Investment Corporation ("CIC"), cumulatively representing a 50% equity interest in Nobel Holdings Investments Ltd ("Nobel Oil") in September 2009. Nobel Oil is one of the largest independent upstream producers in Russia.

Located in highly developed and prolific oil provinces in Russia close to infrastructure, Nobel Oil's principal assets are its nine subsoil licenses covering seven oil fields, in varying stages of development and production, plus two exploration areas. It holds aggregated proven reserves of 117 mmbbl of proved, 238 mmbbl of proved and probable and 467 mmbbl of proved, probable and possible reserves. It is considered a high-quality significant oil-weighted portfolio with well productivity rates higher than Russian averages.

Held via investment holding vehicle, Thrive World Ltd, OP Financial's 5% effective holding increased slightly from HK$323.82 million to HK$332.23 million as at 31 March 2011. With its average selling price per barrel recovering from an approximate 2010 average of US$70 per barrel to an around US$100 per barrel in Q1 of 2011 during the Year, we believe Nobel Oil's target listing by the end of 2011 looks promising.

Management Discussion and Analysis

Meichen Finance

In 2009, we invested HK$45.45 million in Meichen Finance Group ("Meichen Finance"), a rapidly growing insurance agency and brokerage in China. In addition to our initial investment, OP Financial facilitated a shareholder's loan of RMB52 million, which was then used to finance acquisitions. Held via investment vehicle, Crown Honor Holdings Ltd ("CHHL"), our net position has since grown to HK$102.62 million as at 31 March 2011 (31 March 2010: HK$98.99 million) reflecting the company's accelerated progress.

As of the date of this report, the audit of the consolidated financial statement of Meichen Finance for its year ended 31 December 2010 was not yet finalised, so there was no reliable financial data to apply commonly used valuation techniques for Meichen Finance as at 31 March 2011 as required by the Hong Kong Financial Reporting Standards. Thus, the Board considers the results adopted in our interim report 30 September 2010, which was based on the most recent independent valuation report, as the best estimated fair value of Meichen Finance's assets.

According to its unaudited financial statements for the year ended 31 December 2010, Meichen Finance performed admirably having sold policies of approximately RMB1.45 billion in insurance premiums from RMB830 million representing a year-on-year growth of 74%, translating into approximately RMB240 million in revenues.

Meichen Finance distributes insurance products from (currently) 21 leading insurance companies in the country including Ping An, China Life, and China Pacific. Primarily operating in the automotive insurance sector, agents use an in-house assessment system to effectively match clients with appropriate products. Given that China is home to the fastest growing auto industry in the world, Meichen Finance is in a unique position to capitalise on consumer demand. While focused on Guangdong province, with a growing population of over 95 million, Meichen Finance has already begun expanding across the country.

Meichen Finance's management has outlined three basic strategies for improvement: (1) to install proprietary technology to improve customer care efficiencies, (2) to cross-sell new insurance products to the current client base, thereby increasing average revenue per customer, and (3) to identify acquisition targets for consolidation across China.

Meichen Finance increased the number of licensed sales hubs (including agencies, brokerages, and assessment centres) under its portfolio from 7 in 2009 to 54 as at 31 March 2011. Newly acquired assets contributed to 35% of Meichen Finance's revenues this year. The company has also improved sales in non-automotive insurance (excluding accidental), increasing revenues from RMB163 million in 2009 to RMB420 million in 2010, which now represents over 27.5% of their total revenues versus 19.6% in 2009, evidence that their product strategy is progressing well.

We expect Meichen Finance may be seeking capital through the equity markets before 2012 to finance its expansion plans. We will continue to monitor its performance in 2011 and provide strategic support as needed.

Glory Wing

Glory Wing International Ltd ("Glory Wing") is an investment vehicle whose core position is an iron ore mining operation called the Taolegai Mine, located in Inner Mongolia. Glory Wing has financed the mining operations by issuing convertible bonds for a total of HK$70 million, of which OP Financial's allocation is HK$10 million.

Based on John T. Boyd Company's (JTB) current reports, the Mine holds measured and inferred resources of 5.73 million tonnes at an average grade of 50.2% Fe. With estimated production of 800,000 tonnes per year, the mine has a healthy potential schedule of over 5 years.

Jin Dou Investment Partnership

In September 2010, we formed a partnership with CIC, Jin Dou Development Fund L.P., to explore agricultural investment opportunities in Kazakhstan. CIC and OP Financial contributed US$15 million and US$1.5 million respectively for the purpose of conducting feasibility projects to diversify and expand the crop yield in Kazakhstan to service the growing demand for food in the region.

The project's feasibility studies are on-going and while preliminary results are positive, expansion plans to build a larger scale operation will not be assessed until August 2011. Depending on projected yield, the project will require significant financing to build out a commercially viable production platform. CIC continues to fully support this joint venture with a long term investment horizon.

FINANCIAL SERVICES PLATFORM

Partnerships with Major Players

We have investments in four asset management companies with total assets under management and advisory of approximately HK$6.24 billion. Aggregate results of the four companies attributable to the Group totalled approximately HK$3.22 million for the Year.

With their managed funds invested mostly in listed equities, our partnering fund managers faced a challenging market in May 2010, when volatility combined with highly correlated hedges rendered defensive trading strategies ineffective as the MSCI World Index slid 9.91% during the month. The Eurekahedge Hedgefund Index was down 2.33%, its worst performance since October 2008. Despite unpredictable markets, our partnering fund managers recovered in strength. CSOP also launched a new RMB Bond Fund in March 2011 to capture a growing demand for RMB denominated products. OP Financial also holds non-controlling preference shares in the investment management companies, namely OP Calypso Capital Limited and OP Calypso Capital (Cayman) Limited (together "OP Calypso"). Our position appreciated to HK$75.86 million from HK$34.05 million during the Year; such revaluation gains are due to additional income streams from three new funds.

Integrated Fund Solutions

Part of the Group's strategy is to build a proprietary asset management platform and incubate or acquire funds with a strong track record and sound management. We provide seed capital infrastructure, technology, and administrative support to fund managers, allowing them to focus on building performance. The Group maintains investments in four funds managed by the OP Calypso, which fell slightly by approximately HK$5.33 million from HK$286.29 million as at 31 March 2010 to HK$280.96 million as at 31 March 2011. The funds performed admirably in the second half of the year recovering from a market-wide dip in May of 2010.

As part of an on-going branding exercise and to emphasise the relationship with OP Financial, OP Calypso Capital Limited changed its name to OP Investment Management Limited (OPIM) in May 2011.

Investor sentiment remained cautious and markets volatile during the Year. Even so OPIM continued on its expansion phase with the launch of the Eurasia Fund on 3rd January 2011. This Fund will focus on the Greater China and Russia markets, BRIC countries (Brazil, Russia, India, and China) and other Eurasian markets. In addition, it will be their first hybrid fund which makes pre-IPO and private equity investments. Work continues on a new China Organic Growth Fund, a Luxembourg domiciled UCITS, which is now scheduled for launch on 15th September, 2011.

The OPIM incubated manager platform continues to grow with one manager being awarded a mandate for a 130/30 fund by a prestigious Swedish institution. Such fund is scheduled for a launch in September 2011. OPIM will continue to seek out managers to incubate under its platform.

In Closing

Our direct investments are quickly approaching their next stage in development, and while the financial year was clearly a challenging one for most of our investments, our efforts to reinstate value into underperforming assets whilst doubling our efforts to endorse promising ones are starting to show results. Firstly, Kaisun Energy is fundamentally strong and we remain opportunistic. Secondly, we anticipate an exciting year ahead as we make final preparations to bring several key investments to the public markets. Finally, our co-operation with CIC in Kazakhstan proves to the market our commitment to the sovereign and institutional market, and it is a prime example of how our regional insight can help our investment partners, and ultimately our shareholders, discover opportunities where others cannot.

Management Discussion and Analysis

FINANCIAL REVIEW

Financial position

Net asset value: The Group's net assets as at 31 March 2011 increased by 7.31% to HK$1.59 billion from HK$1.48 billion one year ago. Meanwhile, the NAV per share decreased from HK$1.89 to HK$1.69 during the Year since the total issued ordinary shares increased from 784.50 million to 941.40 million after the completion of new share placement completed in July 2010 and loss for the Year.

Gearing: The gearing ratio, which is calculated on the basis of total liabilities over total equity as at 31 March 2011, was 0.005 (31 March 2010: 0.05). We are currently maintaining a low leverage policy for our investments. While some debt financing instruments may be used at the investment level, we still expect to maintain debt to a minimum at the Group level in the coming year.

Investments in associates: Representing mainly our share of the net assets of joint venture asset management companies, CSOP Asset Management Limited ("CSOP"), and Guotai Junan Fund Management Limited ("Guotai Junan"). Assets increased by 4% to HK$85.99 million as at 31 March 2011 (31 March 2010: HK$82.64 million) reflecting stable operating performance of our investees for the Year.

Available-for-sale financial assets: Though relatively unchanged at HK$662.65 million (31 March 2010: HK$689.92 million), satisfactory performance in all holdings combined with the addition of the Jin Dou Development Fund mitigated the substantial decline in mark-to-market value of our investment in the ordinary shares in Kaisun Energy.

Financial assets at fair value through profit or loss: The decrease to HK$372.38 million from HK$495.74 million during the Year was primarily due to a significant decrease in the value of the derivative component in the convertible bond tied to Kaisun Energy. This instrument fell by 87.23% from HK$162.69 million to HK$20.78 million for an unrealised loss of HK$141.91 million. Investment in Meichen Finance via Crown Honor Holdings Ltd. increased approximately 5.71% from HK$42.01 million to HK$44.41 million. Total fair value of Funds changed from HK$286.29 million to HK$280.96 million. Glory Wing convertible bond is a new addition to our investment portfolio. Other than the above, valuation of the remaining long term assets remained relatively stable during the Year.

Loans receivable: Our shareholder's loan to Meichen Finance of HK$61.1 million due 31 December 2011, accounted for most of the HK$66.1 million loans receivable. Proceeds were used to fund Meichen Finance's acquisitions throughout the Year.

Interest receivables: With the addition of a new convertible bond investment via Glory Wing in an iron ore mine in Inner Mongolia, accrued interests increased significantly from HK$5.02 million as at 31 March 2010 to HK$15.75 million as at 31 March 2011. The accrued interests also include interest receivable from our investment in Kaisun Energy's convertible bond.

Bank and cash balances: As at 31 March 2011, the Group had bank deposits and cash balances of HK$365.33 million (31 March 2010: HK$261.37 million). The increase in bank and cash balances is the net sum of the issue of new shares of HK$283.07 million, cash carried forward of HK$261.37 million, less cash used in investing activities of approximately HK$76.55 million, and cash used in operating activities of HK$102.56 million.

Other payables: This mainly represents the investment management fees payable to our investment manager calculated based on the NAV of the Group. Performance fee payable to the investment manager amounted to HK$65.36 million as at 31 March 2010. As a result, other payables have been reduced significantly from HK$69.00 million to HK$4.30 million as at 31 March 2011.

RESULTS

The Group made significant developments in new arrangements and partnerships. However, challenging market conditions created a difficult environment for our main investments in Kaisun Energy and investment funds, directly impacting our performance for the Year. The Group incurred a net loss of HK$233.33 million (2010: profit of HK$473.07 million), which included an impairment of HK$80.14 million on Kaisun Energy ordinary shares as well as a fair value loss of HK$141.91 million on Kaisun Energy's convertible bond conversion portion. The Group also completed the placement of new ordinary shares in July, increasing the cash balance by HK$283.07 million. Consequently, we grew our net assets to approximately HK$1.59 billion during the Year, representing a net increase of 7.31%. The Group incurred a basic loss per share of HK$25.85 cents in 2011 compared to a profit of HK$60.30 cents in 2010.

Consolidated Statement of Comprehensive Income

Revenue, during the Year was as follows:

	2011	2010
	HK$'000	HK$'000
Dividend income from listed investments	–	241
Dividend income from unlisted investments	–	330,416
Performance premiums from co-investment partners[(1)]	35,003	121,097
Interest income[(2)]	12,931	6,447
Total	47,934	458,201

(1) Co-investment partner, CIC, in both the Agriculture partnership and Nobel Oil projects awarded performance premiums totalling HK$35.00 million to the Group in return for our resources devoted to the investment projects. Jin Dou Development Fund accounted for approximately HK$12.96 million, while Nobel Oil accounted for the remaining HK$22.04 million.

(2) Interest income increased to approximately HK$12.93 million (2010: HK$6.45 million) is derived from a new convertible bond investment via Glory Wing and our existing Kaisun Energy, both of which are held as convertible bonds, including term deposits in banks.

Management Discussion and Analysis

Net (loss)/gain on financial assets at fair value through profit or loss: This mainly represents (i) the loss in fair value of the conversion option embedded in the convertible bonds of Kaisun Energy of approximately HK$141.91 million and (ii) the net gain of HK$5.45 million from the Group's remaining financial assets at fair value.

Impairment loss on available-for-sale financial assets: Due to the prolonged decrease in the fair value of the Group's investment in the ordinary shares of Kaisun Energy from its investment cost, an impairment loss of HK$80.14 million which represented the difference between the investment cost and the mark-to-market value of Kaisun Energy shares as at 31 March 2011 was made. Such movement in fair value was reflected in the investment revaluation reserve previously.

Equity-settled share-based payments: This represents the value of 28,800,000 and 13,000,000 share options granted to certain directors, employees and consultants at 20 April 2010 and 18 February 2011 respectively, recognised during the Year.

Administrative expenses: The decrease in expenses of HK$53.45 million from HK$102.92 million is a result of (i) no performance fee paid to the investment manager, which is determined by the growth in NAV per share, and (ii) staff costs and expenses such as travelling and other costs directly related to our new investment projects. However, expenses include investment management fees that incur monthly.

Share of results of associates: A net amount of approximately HK$3.22 million (2010: HK$22.95 million) accounted for our share of results of associates from joint ventures such as CSOP, and Guotai Junan. These companies generate revenue based on management and performance fees according to assets under management.

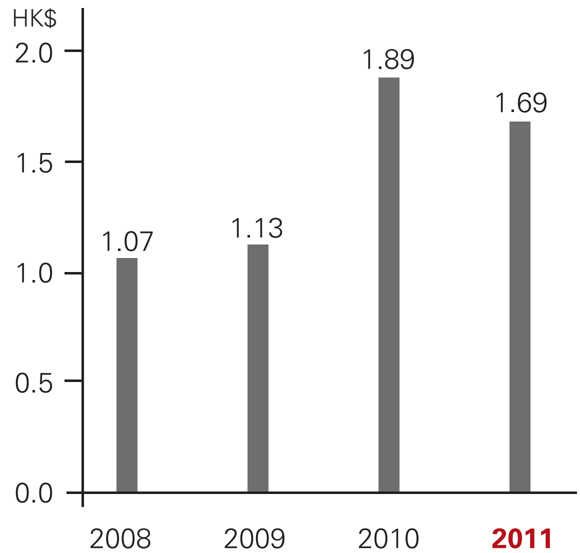
Income tax: The Group incurred no income taxes as there were no assessable profits for the Year (2010: HK$5.30 million).

Other comprehensive income: Changes to the Group's NAV, otherwise not accounted for in the income statement, are found in other comprehensive income. The loss of HK$233.33 million for the Year is carried through from the income statement. Combined with unrealised losses from long term investments, otherwise identified as "available-for-sale financial assets" totalling HK$38.92 million, gains in exchange difference of HK$0.026 million, impairment loss on available-for-sale financial assets charged to income statement of HK$80.14 million and gains in the share of other comprehensive income of associates of HK$0.13 million, the total comprehensive income for the Year was a loss of HK$191.95 million.

Fair value changes for the year ending 31 March

	2011 HK$'000	2010 HK$'000
OP Calypso	41,800	4,661
Kaisun Energy		
– Ordinary Shares	(91,774)	11,633
Kaisun Energy		
– CB Borrowing Portion	3,493	7,435
Nobel Oil	8,403	91,176
Meichen Finance	1,233	40,016
Jin Dou Development Fund, L.P.	(2,073)	–
Fair value (decrease)/increase	(38,918)	154,921

Net asset value per share (in HK$)



Liquidity and financial resources

Dividend income from investments held, performance premiums, and interest income from bank deposits and financial instruments held are currently the Group's major source of revenue.

During the Year, the Group continued to maintain a significant balance of cash and cash equivalents. As at 31 March 2011, the Group had cash and bank balances of HK$365.33 million (31 March 2010: HK$261.37 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 93 times (2010: 8 times). For further analysis of the Group's cash position, 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 July 2010, the Company issued 156,900,000 new ordinary shares of HK$0.10 each at an issue price of HK$1.90 per share to independent third party investors 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 28 August 2009.

After the deduction of the related expenses, the issue of 156,900,000 new shares raised net proceeds of approximately HK$283.07 million which will be applied to finance future investments opportunities.

As at 31 March 2011, the Group's shareholders' equity and total number of shares in issue for the Company stood at HK$1.59 billion (2010: HK$1.48 billion) and 941.40 million (2010: 784.50 million), respectively.

Employees

During the Year, the Group had 18 (2010: 15) employees, inclusive of the two executive directors. Total staff costs for the Year amounted to HK$20.84 million (2010: HK$11.85 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

Except for the Group's investment in and loan to Meichen Finance described in the "Direct Investment Solutions" section above, the Group's assets and liabilities are mainly 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 2011, 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 Gaobo
Executive Director and CEO

Hong Kong SAR, 20 June 2011

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 55, was appointed as an executive director and chairman of the Company in February 2003. Mr. Zhang is a Founding Partner and the Chairman of Oriental Patron Financial Group and is responsible for the formation and approval of the Group's development strategies. Mr. Zhang obtained a bachelor's degree in Arts from Heilongjiang University in 1982 and later graduated from the Graduate School of the People's Bank of China ("PBOC") (中國人民銀行研究生部) 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 Financial Administration Department (金融管理司) 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 Department of Intermediary Supervision (證券機構監管部) 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 managed Hainan Fudao Investment Fund.

Mr. ZHANG Gaobo, aged 46, was appointed as an executive director and chief executive officer of the Company in February 2003. Mr. Zhang is a Founding Partner and Chief Executive Officer of Oriental Patron Financial Group and is responsible for the general management and business development of the Group. 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 Policy Division of Hainan Provincial Government. From March 1991 to 1993, Mr. Zhang was deputy chief of Financial Markets Administration Committee of PBOC Hainan. From January 1992 to 1994, Mr. Zhang was the chairman of Hainan Stock Exchange Centre. After founding Oriental Patron Financial Group, Mr. Zhang participated in several H-share and Red Chip listings in Hong Kong and successfully presided over several private equity investments. He has over 20 years of experience in the PRC and international finance markets. 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 80, 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 61, 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 NWS Holdings 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, CITIC 1616 Holdings Limited and China COSCO Holdings Company Limited (appointed on 17 May 2011). He was also an independent non-executive director of Tianjin Development Holdings Limited, China Oilfield Services Limited, Frasers Property (China) Limited, COSCO International Holdings Limited, Beijing Capital International Airport Company Limited until 26 May 2010, 28 May 2010, 17 January 2011, 9 June 2011 and 15 June 2011 the respective dates of the annual general meeting of these five companies wherein he did not offer himself for re-election. 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.

Prof. HE Jia, aged 56, 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 56, 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 managing director of CCB International and was a partner of Jun He Law Offices and admitted lawyer and solicitor in the People's Republic of China, 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 and Zijin Group Mining Co. Ltd, companies 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 46, is the general manager of Jin Dou Development Fund, L.P., an investee of the Company, and a Partner of Oriental Patron Financial Group primarily responsible for private equity investments. Mr. Zhang has over 13 years experience in the operation and management of commercial banking, during which he worked in the International Business Department of the Industrial and Commercial Bank of China Limited ("ICBC") at Deputy General Manager level, including 3 years in ICBC Almaty Branch, where he was in charge of treasury, credit lending and office operations. Moreover, Mr. Zhang has 11 years of investment banking experience, served as Executive Director of ICEA Finance Group (the investment banking arm of ICBC) and managing director of Alpha Alliance Finance Holdings, responsible for corporate finance and sales department respectively. Mr. Zhang holds a master degree from Renmin University in Economics, a diploma of Programme for Management Development of Harvard Business School, and held a fellowship from Columbia University in New York.

Head of Energy & Resources

Mr. YEAP Soon P, Jonathan, aged 49, is a Partner of Oriental Patron Financial Group and has responsibility for the origination and development of energy and resources businesses. He has over 25 years' experience in energy and natural resources industries. Before joining the Company, Mr. Yeap was an executive director and chief executive officer of Kaisun Energy Group Limited, a company listed on the Stock Exchange from 2008 to 2010. Prior to that, he was from 1997 to 2001 a chief executive officer of the China region and the managing director of the Asia Pacific region of Enron Corporation, a global energy group. Moreover, Mr. Yeap served as a chief executive officer of a subsidiary of a large oil, gas, coal and power company in the United States from 1993 to 1996. He also worked as a project director of a large United States power generating company assigned to the PRC from 1992 to 1993. During this period, Mr. Yeap was a lead developer for a foreign-invested integrated coal mine, power plant, DC transmission line project transporting electricity from Shanxi province, the PRC to Jiangsu province/Shanghai, the PRC. Mr. Yeap held various engineering and financial positions with a Canadian company specializing in development, construction and operation of independent power plants worldwide between 1983 and 1992. He holds a bachelor degree in electrical engineering from the University of Alberta.

Biographical Details of Directors and Senior Management

Chief Investment Officer-Assets Management

Mr. Benoit Descourtieux *CFA*, aged 48, 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 Investment Management Limited (formerly known as Calypso Capital Limited and OP Calypso Capital Limited respectively) ("OPIM"), an alternative independent investment manager established in Hong Kong in 2003. Before setting up OPIM, 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 51, 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 OPIM, an alternative independent investment manager established in Hong Kong in 2003. Before setting up OPIM, 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 Board of Directors ("Directors") of OP Financial Investments Limited (the "Company") submit their annual report together with the audited consolidated financial statements of the Company with its subsidiaries (the "Group") for the year ended 31 March 2011 (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 principal investment objective is to achieve earnings for the Company in the form of medium to long term capital appreciation through investing in a diversified portfolio of global investments in listed and unlisted enterprises. The activities of its principal subsidiaries are set out in note 15 to the consolidated financial statements.

SEGMENT INFORMATION

Segment information of the Group is set out in note 8 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on page 29.

No interim dividend was paid during the Year. The Directors do not recommend the payment of a final dividend for the Year (2010: 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 comprehensive income and consolidated statement of changes in equity on pages 29 and 32 and note 23 to the consolidated financial statements, respectively.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group and of the Company are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the Year are set out in note 21 to the consolidated 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 86 of this report.

Directors' Report

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company or any of its subsidiaries has not purchased, sold or redeemed any of the Company's 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 consolidated financial statements.

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 Director
Mr. LIU Hongru

Independent Non-executive Directors
Mr. KWONG Che Keung, Gordon
Prof. HE Jia
Mr. WANG Xiaojun

In accordance with Article 113 of the Company's Articles of Association, Mr. LIU Hongru and Mr. WANG Xiaojun 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 and they are also subject to retirement by rotation in accordance with the Company's Articles of Association.

Biographical details of the directors as at the date of this annual report are set out on pages 12 to 14.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors 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 determined 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 consolidated financial statements, no other contracts of significance in relation to the Group'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' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2011, 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 Listed Issuers (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** (notes 2 & 3)	**Interests under equity derivatives**	**Total interests**	**Total interests as to % to the issued share capital of the Company as at 31 March 2011** (note 1)
Mr. ZHANG Zhi Ping	Interest of controlled corporation	359,800,000	–	359,800,000	38.22%
Mr. ZHANG Gaobo	Interest of controlled corporation	359,800,000	–	359,800,000	38.22%

Notes:

(1) The percentage of shareholding was calculated on the basis of the Company's issued share capital of 941,400,000 shares as at 31 March 2011.

(2) This represented an aggregate of 330,000,000 shares held by Ottness Investments Limited ("OIL") and 29,800,000 shares held by Oriental Patron Financial Services Group Limited ("OPFSGL").

(3) 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. By virtue of the SFO, each of Mr. Zhang Zhi Ping and Zhang Gaobo is deemed to be interested in the Shares and underlying Shares of the Company held by OIL and OPFSGL.

Save as disclosed above, as at 31 March 2011, 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.

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 2011, 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			Total interests as to % to the issued share capital of the Company as at 31 March 2011 (note 1)
Name of shareholder	**Capacity in which interests are held**	**Corporate interests in shares**	**Interests under equity derivatives**	**Total Interests**	
OIL (note 2 & 4)	Beneficial owner	330,000,000	–	330,000,000	35.05%
OPFGL (note 3 & 4)	Interest of controlled corporation	359,800,000	–	359,800,000	38.22%
Primus Pacific Partners Investments 2 Ltd (note 5 & 6)	Beneficial owner	155,040,000	–	155,040,000	16.47%
Primus Pacific Partners 1 LP (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	16.47%
Primus Pacific Partners (GP1) LP (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	16.47%
Primus Pacific Partners (GP1) Ltd (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	16.47%
Mr. NG Wing Fai (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	16.47%
MR. HUAN Guocang (note 5 & 6)	Interest of controlled corporation	155,040,000	–	155,040,000	16.47%

Notes:

(1) The percentage of shareholding was calculated on the basis of the Company's issued share capital of 941,400,000 shares as at 31 March 2011.

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

(3) This represented an aggregate of 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.

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

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

(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-GP1-LP"). Further, PPP-GP1-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-GP1-LP, and PPP1-LP is deemed to be interested in the shares of the Company held by PPPI-2.

Save as disclosed above, as at 31 March 2011, 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 consolidated 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.

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

Investment Management Agreement

Pursuant to the Investment Management Agreement (the "Investment Agreement") dated 1 April 2008, the Company has re-appointed Oriental Patron Asia Limited ("OPAL") 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 ended 31 March 2011. The cap amount for the year ended 31 March 2011 was HK$115,000,000.

CONNECTED TRANSACTIONS (continued)

(a) Non-exempt continuing connected transactions (continued)

Investment Management Agreement (continued)

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$23,808,000 (2010: HK$83,000,000).

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 Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its unqualified letter containing his findings and conclusions in respect of the continuing connected transactions of the Group in accordance with paragraph 14A.38 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A copy of the auditor's letter has been provided by the Company to The Stock Exchange of Hong Kong Limited.

(b) Continuing connected transactions exempted from reporting, annual review, announcement and/or independent shareholders' approval requirements

(1) 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$23,331 (2010: HK$23,966).

The custodian is regarded as a connected person of the Company by virtue of Rule 21.13 of the Listing Rules. Accordingly the Custodian Agreement constitutes a de-minimis continuing connected transaction of the Company for purpose of Rule 14A.33(3) of the Listing Rules.

CONNECTED TRANSACTIONS (continued)

(b) Continuing connected transactions exempted from reporting, annual review, announcement and/or independent shareholders' approval requirements (continued)

(2) Licence agreement(s)

For the year ended 31 March 2011, the monthly licence fee paid by OP Investment Service Limited, a wholly-owned subsidiary of the Company, to (i) Oriental Patron Finance Limited ("OPFL") for the period from 1 April 2010 to 31 October 2010 and (ii) Oriental Patron Management Services Limited ("OPMSL") for the period from 1 November 2010 to 31 March 2011 under the relevant licence agreements ("Licence Agreements") in respect of a portion of the premises (the "Premises") leased by OPFL and OPMSL during the relevant periods as tenant from an independent third party was HK$81,900. The Premises is used by the Group as its principal place of business in Hong Kong. The total amount of licence fees paid to OPFL and OPMSL during the Year amount to HK$573,300 and HK$409,500 respectively. (2010: to OPFL amounted to HK$940,800).

The Directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo had significant influence in OPFL and OPMSL which therefore are regarded as connected persons of the Company by virtue of Rule 14A.11 of the Listing Rules. Accordingly, the Licence Agreements constitute de-minimis continuing connected transactions of the Company for purpose of Rule 14A.33(3) of the Listing Rules.

The independent non-executive Directors also confirmed the aggregate value of the annual management and performance fees paid and payable by the Company to the investment manager did not exceed its prescribed caps and the aggregate value of the annual custodian fee to the custodian and the aggregate value of the annual licence fees to OPFL and OPMSL fell below the de-minimis threshold of the Listing Rules and would be exempted from the reporting, annual review, announcement and/or independent shareholders' approval requirements under the Listing Rules.

All of the connected 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 fee paid under the Custodian Agreement, other transactions are also disclosed in note 28 to the consolidated 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 23 to 26 of this annual report.

RETIREMENT BENEFITS SCHEME

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

Directors' Report

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.

EVENT AFTER THE REPORTING PERIOD

On 16 June 2011 and up to the date of this report, one of the Group's investments – Kaisun Energy Group Limited – has suspended its trading in the Stock Exchange pending the release of an announcement relating to a very substantial disposal, which is price sensitive in nature.

AUDITOR

The consolidated financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

A resolution to re-appoint the retiring auditor, PricewaterhouseCoopers, will be submitted at the forthcoming annual general meeting of the Company.

On behalf of the Board

ZHANG ZHI PING
Executive Director and Chairman

Hong Kong SAR, 20 June 2011

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 2011 (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 12 to 14 of this annual report.

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 BOARD (continued)

Composition (continued)

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 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, 32 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	32/32	4/4
Mr. ZHANG Gaobo	32/32	3/4
Mr. LIU Hongru	–	2/4
Mr. KWONG Che Keung, Gordon	–	4/4
Prof. HE Jia	–	4/4
Mr. WANG Xiaojun	–	2/4

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.

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.

BOARD COMMITTEES (continued)

Remuneration Committee (continued)

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 auditor 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 auditors.

(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.

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$710,000 and HK$68,000 respectively.

The statement of the external auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the "Independent Auditor's Report" on pages 27 to 28.

Independent Auditor's Report

We have audited the consolidated financial statements of OP Financial Investments Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 29 to 85, which comprise the consolidated and company balance sheets as at 31 March 2011, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated 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 Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 consolidated financial statements.

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

Independent Auditor's Report

BASIS FOR QUALIFIED OPINION

As shown in note 17 and 18 to the consolidated financial statements, as at 31 March 2011, the Group's investment in Crown Honor Holdings Ltd. ("Crown Honor"), an investee, comprises ordinary shares, non-voting preference shares and the profit guarantee of Crown Honor which were stated at fair value of approximately HK$230,545, HK$95,529,850 and HK$6,860,388, respectively. In addition, as shown in note 19 to the consolidated financial statements, the Group had a loan to Crown Honor of approximately HK$61,100,000 as at 31 March 2011. We were unable to obtain sufficient appropriate audit evidence or to carry out alternative audit procedures that we considered necessary to assess the fair value of the investment in and the recoverable amount of the loan to Crown Honor as at 31 March 2011. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. Any adjustments to the fair value of the investment in and the recoverable amount of the loan to Crown Honor would have a material effect on the net assets of the Group and the Company as at 31 March 2011 and the Group's loss attributable to the equity holders for the year then ended.

QUALIFIED OPINION

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, 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 2011, and of the Group's loss 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.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20 June 2011

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2011

	Note	**2011 HK$'000**	2010 HK$'000
Revenue	6	47,934	458,201
Other income	7	771	4
Net (loss)/gain on financial assets at fair value through profit or loss			
– Classified as held for trading		(146,743)	102,308
– Designated as such upon initial recognition		10,283	6,255
		(136,460)	108,563
Gain on disposal of subsidiaries		1,861	–
Fair value gain on other financial liabilities	27	–	7,760
Net loss on disposals of available-for-sale financial assets		–	(16,183)
Impairment loss on available-for-sale financial assets		(80,141)	–
Equity-settled share-based payments	22	(17,060)	–
Administrative expenses		(53,448)	(102,923)
(Loss)/Profit from operations		(236,543)	455,422
Share of results of associates	16	3,216	22,946
(Loss)/Profit before tax		(233,327)	478,368
Income tax	9	–	(5,298)
(Loss)/Profit for the year	10	(233,327)	473,070
Other comprehensive income			
Exchange differences		26	–
Available-for-sale financial assets:			
Fair value changes during the year		(38,918)	154,921
Reclassification adjustments relating to redemption of available-for-sale financial assets during the year		–	(34,664)
Impairment loss on available-for-sale financial assets		80,141	–
Share of other comprehensive income of associates		132	–
Net other comprehensive income for the year		41,381	120,257
Total comprehensive income for the year		(191,946)	593,327
(Loss)/Earnings per share			
Basic	12(a)	(25.85) cents	60.3 cents
Diluted	12(b)	(25.85) cents	60.3 cents

The notes on pages 35 to 85 form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

At 31 March 2011

	Note	2011 HK$'000	2010 HK$'000
Non-current assets			
Property, plant and equipment	14	661	108
Investments in associates	16	85,991	82,643
Available-for-sale financial assets	17	662,653	689,918
Financial assets at fair value through profit or loss	18	38,491	162,920
Loans receivable	19	5,000	–
Interest receivables		14,817	4,972
		807,613	940,561
Current assets			
Financial assets at fair value through profit or loss	18	333,890	332,824
Accounts and loans receivable	19	72,197	8,377
Interest receivables		933	48
Fund subscription		–	7,734
Prepayments and other receivables		457	3,490
Tax recoverable		4,762	–
Bank deposits		11,584	–
Bank and cash balances		365,328	261,365
		789,151	613,838
TOTAL ASSETS		1,596,764	1,554,399
Capital and reserves			
Share capital	21	94,140	78,450
Reserves	23(a)	1,494,148	1,401,649
TOTAL EQUITY		1,588,288	1,480,099
Current liabilities			
Other payables		4,303	69,002
Tax payable		4,173	5,298
TOTAL LIABILITIES		8,476	74,300
TOTAL EQUITY AND LIABILITIES		1,596,764	1,554,399
NET ASSETS		1,588,288	1,480,099
Net asset value per share	24	HK$1.69	HK$1.89

The notes on pages 35 to 85 form an integral part of these consolidated financial statements.

Approved by the Board of Directors on 20 June 2011

ZHANG Zhi Ping	**ZHANG Gaobo**
Director	*Director*

Statement of Financial Position

At 31 March 2011

	Note	2011 HK$'000	2010 HK$'000
Non-current assets			
Property, plant and equipment	14	74	108
Investments in subsidiaries	15	–	–
Amounts due from subsidiaries	15	655,042	582,000
Investments in associates	16	60,000	60,000
Loans receivable	19	5,000	–
		720,116	642,108
Current assets			
Financial assets at fair value through profit or loss	18	8,750	4,750
Amounts due from associates	19	37	–
Interest receivables		277	48
Prepayments and other receivables		180	3,199
Tax recoverable		4,762	–
Bank deposits		11,584	–
Bank and cash balances		355,669	255,434
		381,259	263,431
TOTAL ASSETS		1,101,375	905,539
Capital and reserves			
Share capital	21	94,140	78,450
Reserves	23(b)	1,004,545	757,181
TOTAL EQUITY		1,098,685	835,631
Current liabilities			
Other payables		2,690	68,784
Tax payable		–	1,124
TOTAL LIABILITIES		2,690	69,908
TOTAL EQUITY AND LIABILITIES		1,101,375	905,539
NET ASSETS		1,098,685	835,631

The notes on pages 35 to 85 form an integral part of these consolidated financial statements.

Approved by the Board of Directors on 20 June 2011

ZHANG Zhi Ping
Director

ZHANG Gaobo
Director

Consolidated Statement of Changes in Equity

For the year ended 31 March 2011

		Reserves					
	Share capital HK$'000	**Share premium** HK$'000	**Share-based payment reserve** HK$'000	**Investment revaluation reserve** HK$'000	**Exchange reserve** HK$'000	**(Accumulated losses)/ Retained profits** HK$'000	**Total** HK$'000
At 1 April 2009	78,450	792,438	6,120	41,461	–	(31,697)	886,772
Total comprehensive income for the year	–	–	–	120,257	–	473,070	593,327
At 31 March 2010 and 1 April 2010	78,450	792,438	6,120	161,718	–	441,373	1,480,099
Issue of shares by placing	15,690	267,385	–	–	–	–	283,075
Grant of share options	–	–	17,224	–	–	–	17,224
Share options forfeited	–	–	(164)	–	–	–	(164)
Share options lapsed	–	–	(6,120)	–	–	6,120	–
Total comprehensive income for the year	–	–	–	41,223	158	(233,327)	(191,946)
At 31 March 2011	**94,140**	**1,059,823**	**17,060**	**202,941**	**158**	**214,166**	**1,588,288**

The notes on pages 35 to 85 form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 March 2011

	2011 HK$'000	2010 HK$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(233,327)	478,368
Adjustments for:		
Dividend income	–	(330,657)
Interest income	(12,931)	(6,447)
Depreciation	202	59
Gain on disposal of subsidiaries	(1,861)	–
Net loss on disposal of available-for-sale financial assets	–	16,183
Net loss/(gain) on financial assets at fair value through profit or loss	136,460	(108,563)
Fair value gain on other financial liabilities	–	(7,760)
Impairment loss on available-for-sale financial assets	80,141	–
Share of results of associates	(3,216)	(22,946)
Equity-settled share-based payments	17,060	–
Operating (loss)/profit before working capital changes	(17,472)	18,237
Increase in financial assets at fair value through profit or loss	(13,099)	(44,647)
Increase in available-for-sale financial assets	(11,653)	(166,462)
Increase in accounts receivable	(2,683)	(8,377)
Increase in fund subscription	–	(7,734)
Decrease/(increase) in prepayments and other receivables	10,737	(2,912)
(Decrease)/increase in accrued charges	(64,704)	62,459
Cash used in operations	(98,874)	(149,436)
Dividend received	–	15,957
Interest received	2,201	1,750
Tax (paid)/refund	(5,887)	1,404
Net cash used in operating activities	(102,560)	(130,325)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in an associate	–	(45)
Net proceeds on disposal of subsidiaries	1,861	–
Loan to an investee	(61,100)	–
Loan to an associate	(1,500)	–
Loan to a co-investment partner	(3,500)	–
Increase in bank deposits	(11,584)	–
Purchase of property, plant and equipment	(731)	(24)
Net cash used in investing activities	(76,554)	(69)

Consolidated Statement of Cash Flows (continued)

For the year ended 31 March 2011

	2011 HK$'000	2010 HK$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from issue of shares on placement	283,075	–
Net cash generated from financing activities	283,075	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	103,961	(130,394)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	261,365	391,759
EXCHANGE GAINS ON CASH AND CASH EQUIVALENTS	2	–
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	365,328	261,365
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank and cash balances	365,328	261,365

The notes on pages 35 to 85 form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2011

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.

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) New and amended standards adopted by the Group

In the current year, the Group has adopted all the new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants that are currently in issue and effective for its accounting year beginning on 1 April 2010. HKFRSs comprise all applicable individual Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The following new and revised HKFRSs are relevant to the Group's operations. The adoption of these new and revised HKFRSs had no material impact on the Group's results and financial position for the current or prior years, and did not result in any significant changes in the accounting policies of the Group.

(i) Business Combination

HKFRS 3 (Revised), "Business Combinations", and consequential amendments to HKAS 27, "Consolidated and Separate Financial Statements", HKAS 28, "Investments in Associates", and HKAS 31, "Interests in Joint Ventures", are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with HKFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed.

HKAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. Please refer to note 15 for further details of the business combinations and disposals that occurred during the year.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

(a) New and amended standards adopted by the Group (continued)

(ii) Leases

HKAS 17 (amendment), "Leases", deletes specific guidance regarding classification of leases of land, so as to eliminate inconsistency with the general guidance on lease classification. As a result, leases of land should be classified as either finance or operating lease using the general principles of HKAS 17, i.e. whether the lease transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Prior to the amendment, land interest which title is not expected to pass to the Group by the end of the lease term was classified as operating lease under "Leasehold land and land use rights", and amortised over the lease term. The amendments have no material financial impact on the Group.

(iii) Reassessment of Embedded Derivatives

The amendment to HK(IFRIC) 9, "Reassessment of Embedded Derivatives and HKAS 39, Financial instruments: Recognition and measurement", effective 1 July 2009, requires an entity to assess whether an embedded derivative should be separated from a host contract when the entity reclassifies a hybrid financial asset out of the "fair value through profit or loss" category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. If the entity is unable to make this assessment, the hybrid instrument must remains classified as at fair value through profit or loss in its entirety. The amendments have no material financial impact on the Group.

(iv) Impairment of Assets

HKAS 36 (amendment), "Impairment of Assets", effective 1 January 2010, clarifies that the largest cash-generating unit (or group of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment, as defined by HKFRS 8, "Operating Segments". The amendments have no financial material impact on the Group.

(b) New standards, amendments and interpretations have been issued but not yet effective for the financial year beginning 1 January 2010 and have not been early adopted

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these consolidated financial statements:

–	HKFRS 9	Financial Instruments
–	HKAS 24 (Revised)	Related Party Disclosures
–	HK(IFRIC) — Int 19	Extinguishing Financial Liabilities with Equity Instruments

(i) HKFRS 9, 'Financial Instruments'. The first part of HKFRS 9 was issued in November 2009 and will replace those parts of HKAS 39 relating to the classification and measurement of financial assets. In November 2010, a further pronouncement was published to address financial liabilities and derecognition. Key features are as follows:

Classification and Measurement

Financial assets are required to be classified into one of the following measurement categories: (1) those to be measured subsequently at fair value or (2) those to be measured subsequently at amortised cost. Classification is to be made on transition, and subsequently on initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

A financial instrument is subsequently measured at amortised cost only if it is a debt instrument, and the objective of the entity's business model is to hold the asset to collect the contractual cash flows, and the asset's contractual cash flows represent only unleveraged payments of principal and interest. All other debt instruments are to be measured at fair value through profit or loss.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

(b) New standards, amendments and interpretations have been issued but not yet effective for the financial year beginning 1 January 2010 and have not been early adopted (continued)

(i) (continued)

Classification and Measurement (continued)

All equity instruments are to be measured subsequently at fair value. Equity instrument that are held for trading will be measured at fair value through profit or loss. For all other equity investments, an irrevocable election can be made at initial recognition to recognise unrealised and realised fair value gains and losses through other comprehensive income rather than consolidated statement of comprehensive income. Once elected to be recognised through other comprehensive income, there will be no reclassification of fair value gains and losses to consolidated statement of comprehensive income. Dividends are to be presented in consolidated statement of comprehensive income as long as they represent a return on investment.

Financial Liabilities and Derecognition

Except for the two substantial changes described below, the classification and measurement requirements of financial liabilities have been basically carried forward with little amendments from HKAS 39. For the derecognition principles, they are consistent with that of HKAS 39.

The requirements related to the fair value option for financial liabilities were changed to address own credit risk. It requires the amount of change in fair value attributable to changes in the credit risk of the liability be presented in other comprehensive income. The remaining amount of the total gain or loss is included in consolidated statement of comprehensive income. If this requirement creates or enlarges an accounting mismatch in profit or loss, then the whole fair value change is presented in consolidated statement of comprehensive income. The determination of whether there will be a mismatch will need to be made at initial recognition of individual liabilities and will not be re-assessed. Amounts presented in other comprehensive income are not subsequently reclassified to consolidated statement of comprehensive income but may be transferred within equity.

The standard eliminates the exception from fair value measurement contained in HKAS 39 for derivative liabilities that are linked to and must be settled by delivery of an unquoted equity instrument.

(ii) HKAS 24 (revised), “Related Party Disclosures”, issued in November 2009, is mandatory for periods beginning on or after 1 January 2011. Earlier application, in whole or in part, is permitted.

The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The amendments may not have any financial impact on the Group.

(iii) HK(IFRIC) — Int 19, “Extinguishing Financial Liabilities with Equity Instruments”, effective 1 July 2010, clarifies the accounting by an entity when the terms of a financial liabilities are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished. The new interpretation is unlikely to have any financial impact on the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

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

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4 to the consolidated financial statements.

The significant accounting policies applied in the preparation of the consolidated 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 2011 and 2010.

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. 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.

In the Company's statement of financial position the investments in subsidiaries are accounted for at cost less impairment. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in the consolidated statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets and liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Consolidation (continued)

(iii) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. 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.

Investments in an associate are accounted for in the consolidated financial statements by the equity method and are 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 in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. 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 profit or loss.

The Group's share of its associate's post-acquisition profits or losses is recognised in the consolidated statement of comprehensive income, and its share of the post-acquisition movements in reserves is recognised in other comprehensive income. 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.

The gain or loss on disposal of an associate represents the difference between the proceeds of the sale and the Group's share of its carrying amount together with any remaining goodwill relating to the associate and also any related accumulated foreign currency translation reserve.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the consolidated statement of comprehensive income.

In the Company's statement of financial position 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.

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 on initial recognition using the exchange rates prevailing on the date of the transactions or valuation where items are re-measured. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are included in the statement of comprehensive income except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit and loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

(iii) Translation on consolidation

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) 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 statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

- Income and expenses for each statement of comprehensive income 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 other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the statement of comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of comprehensive income 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 residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals of property, plant and equipment are the difference between the net sales proceeds and the carrying amount of the relevant assets, and are recognised in the consolidated statement of comprehensive income.

(e) Impairment of investments in subsidiaries and non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(f) Impairment of investments in associates and financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Impairment testing of the investments in subsidiaries or associates is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary or associate in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial assets

(i) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. The directors determine the classification of its financial assets at initial recognition.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either financial assets held for trading or designated in this category upon initial recognition. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'accounts and loans receivable', 'interest receivables', and 'prepayments and other receivables' in the consolidated statement of financial position.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

(ii) Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the consolidated statement of comprehensive income in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated statement of comprehensive income as part of revenue when the group's right to receive payments is established. The interest component is reported as part of interest income.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial assets (continued)

(ii) Recognition and measurement (continued)

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated statement of comprehensive income as gains and losses from investment securities.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated statement of comprehensive income as part of revenue. Dividends on available-for-sale equity instruments are recognised in the consolidated statement of comprehensive income as part of revenue when the Group's right to receive payments is established.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Group and the Company's statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(iv) Impairment of financial assets

Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would be otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

    1. adverse changes in the payment status of borrowers in the portfolio;
    2. national or local economic conditions that correlate with defaults on the assets in the portfolio.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial assets (continued)

(iv) Impairment of financial assets (continued)

The Group first assesses whether objective evidence impairment exists.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria refer to "assets carried at amortised cost" above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from other comprehensive income and recognised in the consolidated statement of comprehensive income. Impairment losses recognised in the consolidated statement of comprehensive income on equity instruments are not reversed through the consolidated statement of comprehensive income. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated statement of comprehensive income.

(h) Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair values. The derivative financial instruments are designated as non-hedging instruments and are classified as current assets or liabilities. Changes in the fair value of any non-hedging derivative financial instruments are recognised immediately in the consolidated statement of comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have any equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

(j) Accounts and other receivables

Accounts 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 accounts 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 consolidated statement of comprehensive income.

Impairment losses are reversed in subsequent periods and recognised in the consolidated statement of comprehensive income 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.

If collection of trade and other receivables is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

(k) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) 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.

(i) Accounts and other payables

Accounts 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.

(ii) 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 for the sale of goods and service in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

Revenue 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.

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

(iii) Performance premium is recognised when the services are rendered.

(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 defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost are recognised as employee benefit expense when they are due.

(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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) **Share capital and dividend distribution**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or share options are shown in equity as a deduction from the proceeds.

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

(p) **Share-based payments**

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees and other eligible participants as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance consideration (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save)

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of comprehensive income, with a corresponding adjustment to equity.

At the time when the share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share capital and 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/accumulated losses.

(q) **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 recognised in profit or loss 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.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases. 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 future 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)

(q) 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 the end of each reporting period 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 end of the reporting period. Deferred tax is recognised in profit or loss except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly 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.

(r) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentive received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

(s) 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) 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.

Provision are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

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.

(u) Events after the reporting period

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

(v) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or share options are shown in equity as a deduction from the proceeds.

(w) Comparative figures

When necessary, comparative figures have been restated to conform to the current year's presentation.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, 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. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. 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.

(b) Fair value estimation of financial instruments and derivatives

As indicated in notes 17 and 18 to the consolidated financial statements, the Group selects appropriate valuation techniques for financial instruments not quoted in an active market. The fair values of unlisted investments are determined in accordance with generally accepted pricing models such as Discounted Cash Flow Method and/or Binomial Option Pricing Model. The values assigned to these unlisted investments 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, refer to note 5 for details.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(c) Fair value estimation of share options

The Group determines the fair value of its share options using the Black-Scholes valuation model which requires input of subjective assumptions as disclosed in note 22 below. Any change in the subjective input assumptions may materially affect the fair value of an option.

5. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	Group	
	2011	2010
	HK$'000	HK$'000
Financial assets		
Available-for-sale financial assets	662,653	689,918
Financial assets at fair value through profit or loss		
Classified as held for trading	317,349	460,994
Designated as such upon initial recognition	55,032	34,750
Loans and receivables		
Accounts, loans receivables and others	93,404	24,621
Bank deposits and cash balances	376,912	261,365
Financial liabilities		
Amortised cost	4,303	69,002

(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 to ensure appropriate measures are implemented on a timely and effective manner. The Group has not used any derivatives or other instruments for hedging purpose.

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

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

At 31 March 2011, the Group exposure to foreign currency risk through unlisted equity and debt instruments in entities located in the People's Republic of China. These investments were denominated in RMB and the maximum exposure to foreign currency risk was HK$163,490,000, equivalent to RMB139,139,000 (2010: HK$103,374,000, equivalent to RMB91,459,000).

As at 31 March 2011, if the RMB exchange rate has been 50 basis points higher/lower with all other variables held constant, the loss for the year would have decreased/increased by approximately HK$817,000 (2010: HK$517,000).

5. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Foreign currency risk (continued)

Sensitivity analysis

At 31 March 2011, the Group holds certain financial assets which were denominated in USD. The Board are of the opinion that the Group's exposure to USD foreign currency risk is minimal as HKD has been pegged to USD by the Hong Kong's Linked Exchange Rate System.

(ii) Interest rate risk

The Group's exposure to cash flow interest rate risk arises from its bank deposits, investment in debt securities and loans receivable. At 31 March 2011, the Group's term deposit at banks, investment in debt securities and loans receivable were HK$11,584,000 (2010: Nil), HK$166,334,000 (2010: HK$135,517,000) and HK$66,100,000 (2010: Nil) respectively. A change in interest rate levels within the range foreseen by the directors for the next twelve months could have a material impact on the Group.

The directors review the Group's cash flow interest rate risk exposure regularly and consider the present interest rate risk to be manageable.

Sensitivity analysis

At 31 March 2011, if the interest rates had been 25 basis points higher/lower with all other variables held constant, the loss for the year would have decreased/increased by approximately HK$239,000 (2010: Nil), and the investment revaluation reserve would have increased/decreased by approximately HK$371,000 (2010: HK$339,000).

(iii) Equity price risk

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

Sensitivity analysis

At 31 March 2011, if the price of the Group's financial assets at fair value through profit or loss and the Group's available-for-sale financial assets had been 10% higher/lower with all other variables held constant, the loss for the year would have decreased/increased by approximately HK$35,490,000 (2010: the profit for the year would have increased/decreased by approximately HK$49,574,000) and the investment revaluation reserve would have increased/decreased by approximately HK$52,861,000 (2010: HK$55,937,000).

5. FINANCIAL INSTRUMENTS (continued)

(b) **Financial risk management** (continued)

(iv) Credit risk

At 31 March 2011, the Group's maximum exposure to credit risk in the event of the counterparties fail to perform their obligations in relation to each class of recognised financial assets is the carrying amount of these assets as stated in the consolidated statement of financial position.

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

The Group's credit risk on debt securities held is limited because the management closely monitor the financial position of the underlying companies by regularly reviews their financial and operational results and assess their abilities to fulfill the repayment obligations.

At 31 March 2011, the Group had concentration of credit risk by geographical location and by customer as 93% of its receivables was due from one co-investment partner and an investee located in the Mainland China (2010: 100% due from one co-investment partner). The maximum exposure to credit risk on this co-investment partner and this investee were HK$11,060,000 and HK$61,100,000 respectively (2010: HK$8,377,000). However, the directors consider that the credit risks associated with these counterparties are limited as:

- the co-investment partner is with good credit rating in the industry
- the Group has power of significant influence on the decision making process of the investee
- the Group closely reviews the financial positions of the investee

(v) Liquidity risk

Liquidity risk is the risk that the Group cannot meet its current obligations as they fall due. 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. At 31 March 2011, the Group held cash and cash equivalents of HK$365,328,000 (2010: HK$261,365,000) which were considered adequate for working capital management.

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$'000
At 31 March 2011	
Other payables	4,303
At 31 March 2010	
Other payables	69,002

5. FINANCIAL INSTRUMENTS (continued)

(c) Fair values estimation

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 are based on quoted market prices at the reporting date. The quoted market price for financial assets held by the Group usually is the current bid price.

Other unlisted equity investments, unlisted investment funds, unlisted debt instruments and unlisted derivatives 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.

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

The following disclosures of fair value measurements use a fair value hierarchy which has 3 levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Disclosures of level in fair value hierarchy at 31 March 2011:

	Fair value measurement using:			
Description	**Level 1**	**Level 2**	**Level 3**	**Total**
	HK$'000	HK$'000	HK$'000	HK$'000
Financial assets at fair value through profit or loss				
Equity investments	8,750	280,958	231	289,939
Equity investments with embedded derivative	–	–	37,322	37,322
Debt investments	–	–	17,773	17,773
Derivatives	–	–	27,641	27,641
Available-for-sale financial assets				
Equity investments	52,997	–	475,618	528,615
Debt investments	–	–	148,561	148,561
Total	61,747	280,958	707,146	1,049,851

5. FINANCIAL INSTRUMENTS (continued)

(c) Fair values estimation (continued)

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

	Year ended 31 March 2011						
	Financial assets at fair value through profit or loss				Available-for-sale financial assets		
Description	Equity investments	Equity investments with embedded derivative	Debt Investments	Derivatives	Equity investments	Debt investments	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At beginning of the year	231	34,519	–	169,950	414,602	135,517	754,819
Total gains or losses recognised							
– in profit or loss (#)	–	2,803	7,479	(142,309)	–	–	(132,027)
– in other comprehensive income	–	–	–	–	49,363	3,493	52,856
Total interest recognised in profit or loss	–	–	294	–	–	9,551	9,845
Purchases/Additions	–	–	10,000	–	11,653	–	21,653
Disposal/Redemption	–	–	–	–	–	–	–
At end of the year	231	37,322	17,773	27,641	475,618	148,561	707,146
(#) Include gains or losses for assets held at end of reporting period	–	2,803	7,479	(142,309)	–	–	(132,027)

Disclosures of level in fair value hierarchy at 31 March 2010:

	Fair value measurement using:			
Description	Level 1	Level 2	Level 3	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Financial assets at fair value through profit or loss				
Equity investments	4,750	286,294	231	291,275
Equity investments with embedded derivative	–	–	34,519	34,519
Derivatives	–	–	169,950	169,950
Available-for-sale financial assets				
Equity investments	144,771	–	414,602	559,373
Debt investments	–	–	135,517	135,517
Total	149,521	286,294	754,819	1,190,634

5. FINANCIAL INSTRUMENTS (continued)

(c) Fair values estimation (continued)

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

	Year ended 31 March 2010					
	Financial assets at fair value through profit or loss			Available-for-sale financial assets		
Description	Equity investments HK$'000	Equity investments with embedded derivative HK$'000	Derivatives HK$'000	Equity investments HK$'000	Debt investments HK$'000	Total HK$'000
At beginning of the year	23	–	–	209,157	–	209,180
Total gains or losses recognised						
– in profit or loss (#)	6	6,255	64,996	–	–	71,257
– in other comprehensive income	–	–	–	135,853	7,435	143,288
Total interest recognised in profit or loss	–	–	–	–	4,972	4,972
Purchases/Additions	231	28,264	104,954	249,607	123,110	506,166
Disposal/Redemption	(29)	–	–	(180,015)	–	(180,044)
At end of the year	231	34,519	169,950	414,602	135,517	754,819
(#) Include gains or losses for assets held at end of reporting period	–	6,255	64,996	–	–	71,251

The total gains or losses recognised, including those for assets held at the end of reporting period, are presented in the consolidated statement of comprehensive income.

The consolidated financial statements include holdings in unlisted financial instruments which are measured at fair value (note 17 and note 18). Fair value is estimated using generally accepted pricing models, which included some assumptions that are not supportable by observable market rates. In determining the fair value, certain unobservable inputs (such as growth rate and market multiples) and a risk adjusted discount factor were used. The total amount of the change in fair value estimated using a valuation technique that was recognised in profit or loss during the year was loss of HK$132,027,000 (2010: gain of HK$71,257,000), which is related to financial assets held at the end of the reporting period. If these inputs to the valuation model were 10% (2010: 10%) higher/lower with all the other variables held constant, the carrying amount of these unlisted financial instruments would increase/decrease by HK$8,297,000 (2010: HK$20,470,000).

6. REVENUE

Revenue, which is also the Group's turnover, represents the income received and receivable on investments during the year as follows:

	2011 **HK$'000**	2010 HK$'000
Dividend income from listed investments	–	241
Dividend income from unlisted investments	–	330,416
Performance premium from co-investment partners	35,003	121,097
Interest income	12,931	6,447
	47,934	458,201

7. OTHER INCOME

	2011 **HK$'000**	2010 HK$'000
Exchange gains	632	4
Sundry income	139	–
	771	4

8. SEGMENT INFORMATION

The chief operating decision maker has been identified as the Board. The Board assesses the operating segments using a measure of operating profit. The Group's measurement policies for segment reporting under HKFRS 8 are the same as those used in its HKFRS financial statements.

On adopting of HKFRS 8, based on the internal financial information reported to the Board for decisions about resources allocation to the Group's business components and review of these components' performance, the Group has identified only one operating segment, being investment holding. Accordingly, segment disclosures are not presented.

Geographical information:

	2011	2010
	HK$'000	HK$'000
Revenue		
Hong Kong	12,275	337,104
Mainland China	35,659	121,097
	47,934	458,201

In presenting the geographical information, revenue is based on the location of the investments or the co-investment partners.

Non-current assets other than financial instruments

	2011	2010
	HK$'000	HK$'000
Hong Kong	86,065	82,751
Mainland China	587	–
	86,652	82,751

Information about major investments and co-investment partners:

During the year, interest income derived from one of the Group's investments (2010: dividend income and loan interest income derived from one of the Group's investments) which accounted for 10% or more of the Group's revenue amounted to approximately HK$9,551,000 (2010: HK$322,383,000).

During the year, performance premium derived from one (2010: one) of the Group's co-investment partners which accounted for 10% or more of the Group's revenue amounted to approximately HK$35,003,000 (2010: HK$83,988,000).

9. INCOME TAX

(a) Hong Kong Profits Tax has been provided at a rate of 16.5% (2010: 16.5%) on the estimated assessable profit for the year.

	2011 **HK$'000**	2010 HK$'000
Provision for the year	–	5,298

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

	2011 **HK$'000**	2010 HK$'000
(Loss)/Profit before tax	(233,327)	478,368
Tax at Hong Kong Profits Tax rate of 16.5% (2010:16.5%)	(38,499)	78,930
Tax effect of income that is not taxable	(5,482)	(87,137)
Tax effect of expenses that are not deductible	39,078	17,106
Tax effect of temporary differences not recognised	4	5
Tax effect of tax losses not recognised	5,009	48
Tax effect of utilisation of tax losses not previously recognised	–	(3,638)
Effect of different tax rate of a subsidiary	(110)	(16)
Income tax	–	5,298

10. (LOSS)/PROFIT FOR THE YEAR

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

	2011 **HK$'000**	2010 HK$'000
Auditor's remuneration		
Audit	716	500
Others	68	110
	784	610
Depreciation	202	59
Investment management fee	23,808	17,637
Performance fee	–	65,363
Operating lease payments in respect of office premises	1,388	941
Equity-settled share-based payments, other than those included in staff costs	10,607	–
Staff costs (including directors' emoluments)		
Salaries and other benefits	14,197	11,740
Retirement benefits scheme contributions	191	108
Equity-settled share-based payments	6,453	–
	20,841	11,848

(b) The loss for the year dealt with in the financial statements of the Company for the year was approximately HK$37,081,000 (2010: profit of HK$16,119,000) (note 23(b)).

11. DIVIDENDS

The Board has resolved not to pay a final dividend for the year (2010: Nil).

12. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit for the year by the weighted average number of ordinary shares in issue during the year.

	2011 **HK$'000**	2010 HK$'000
(Loss)/earnings for the year	(233,327)	473,070
Weighted average number of ordinary shares in issue (in thousand)	902,712	784,500
Basic (loss)/earnings per share	(25.85) cents	60.30 cents

(b) Diluted (loss)/earnings per share

Diluted (loss) per share for the year ended 31 March 2011 was the same as the basic (loss) per share as the Company's outstanding share options had anti-dilutive effect for the year ended 31 March 2011 as assumed issue of ordinary shares would reduce (loss) per share.

Diluted earnings per share for the year ended 31 March 2010 was the same as the basic earnings per share as the Company's outstanding share options had anti-dilutive effect for the year ended 31 March 2010 as the exercise prices of those share options were higher than the average market price for shares.

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 2011 are as follows:

Name of director	**Fees HK$'000**	**Salaries and other benefits HK$'000**	**Retirement benefits scheme contributions HK$'000**	**Total HK$'000**
Executive directors				
ZHANG Zhi Ping	–	130	6	136
ZHANG Gaobo	–	130	7	137
Non-executive director				
LIU Hongru	100	–	–	100
Independent non-executive directors				
KWONG Che Keung, Gordon	250	–	–	250
HE Jia	250	–	–	250
WANG Xiaojun	250	–	–	250
	850	260	13	1,123

The emoluments paid or payable to directors of the Company during the year ended 31 March 2010 are as follows:

Name of director	Fees HK$'000	Salaries and other benefits HK$'000	Retirement benefits scheme contributions HK$'000	Total HK$'000
Executive directors				
ZHANG Zhi Ping	–	130	7	137
ZHANG Gaobo	–	130	6	136
Non-executive director				
LIU Hongru	100	–	–	100
Independent non-executive directors				
KWONG Che Keung, Gordon	150	–	–	150
HE Jia	150	–	–	150
WANG Xiaojun	150	–	–	150
	550	260	13	823

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

(a) Directors' emoluments (continued)

The emoluments of the directors fell within the following bands:

	2011 Number of directors	2010 Number of directors
HK$Nil – HK$1,000,000	6	6

(b) Senior management's emoluments

Of the five individuals whose emoluments were the highest in the Group for the year, none (2010: 0) was a director. The emoluments of the 5 individuals (2010: 5) are as follows:

	2011 HK$'000	2010 HK$'000
Salaries and other benefits	8,061	6,669
Retirement benefits scheme contributions	53	58
Discretionary bonuses	1,640	2,860
	9,754	9,587

During the year ended 31 March 2011 and 31 March 2010, no emoluments were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group.

The emoluments of the 5 individuals (2010: 5) fell within the following bands:

	2011 Number of individual	2010 Number of individual
HK$Nil – HK$1,000,000	1	2
HK$1,000,001 – HK$2,000,000	2	–
HK$2,000,001 – HK$2,500,000	–	1
HK$2,500,001 – HK$3,000,000	1	–
HK$3,000,001 – HK$3,500,000	1	2

14. PROPERTY, PLANT AND EQUIPMENT

Group

	Motor Vehicle HK$'000	Computer equipment HK$'000	Office equipment HK$'000	Furniture HK$'000	Fixtures HK$'000	Total HK$'000
Cost						
At 1 April 2009	–	21	2	64	110	197
Additions	–	12	5	7	–	24
At 31 March 2010	–	33	7	71	110	221
Additions	573	102	10	46	–	731
Exchange differences	21	3	–	2	–	26
At 31 March 2011	594	138	17	119	110	978
Accumulated depreciation						
At 1 April 2009	–	2	–	16	36	54
Charge for the year	–	6	1	17	35	59
At 31 March 2010	–	8	1	33	71	113
Charge for the year	110	30	1	25	36	202
Exchange differences	1	1	–	–	–	2
At 31 March 2011	111	39	2	58	107	317
Carrying amount						
At 31 March 2011	**483**	**99**	**15**	**61**	**3**	**661**
At 31 March 2010	–	25	6	38	39	108

14. PROPERTY, PLANT AND EQUIPMENT (continued)

Company

	Computer equipment HK$'000	Office equipment HK$'000	Furniture HK$'000	Fixtures HK$'000	Total HK$'000
Cost					
At 1 April 2009	21	2	64	110	197
Additions	12	5	7	–	24
At 31 March 2010	33	7	71	110	221
Additions	28	4	–	–	32
At 31 March 2011	61	11	71	110	253
Accumulated depreciation					
At 1 April 2009	2	–	16	36	54
Charge for the year	6	1	17	35	59
At 31 March 2010	8	1	33	71	113
Charge for the year	12	1	17	36	66
At 31 March 2011	20	2	50	107	179
Carrying amount					
At 31 March 2011	**41**	**9**	**21**	**3**	**74**
At 31 March 2010	25	6	38	39	108

15. INVESTMENTS IN SUBSIDIARIES/AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2011 HK$'000	2010 HK$'000
Unlisted shares, at cost	–	–
Amounts due from subsidiaries	655,042	582,000

The amounts due from subsidiaries are unsecured, interest-free and have no fixed repayment terms but are not expected to be repaid within next 12 months.

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

Details of the principal subsidiaries at 31 March 2011 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
OP Capital Investments Limited	Hong Kong	HK$1	100%	Investment holding
OPFI (GP1) Limited	Cayman Islands	US$1	100%	Investment holding
OP Investment Service Limited	Hong Kong	HK$1	100%	Management service
Profit Raider Investments Limited	British Virgin Islands	US$1	100%	Investment holding
Sunshine Prosper 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.

On 20 December 2010, the Group disposed of 70% interest in Prodirect Investments Limited ("Prodirect") at a consideration of HK$56. The Group lost the control in this entity as the Group's interest is reduced from 100% to 30% and the carrying amount of the interest in Prodirect is now classified under "investments in associates" in the consolidated statement of financial position. A gain of HK$551,000 is recognised in the consolidated statement of comprehensive income from this transaction.

On 30 September 2010, the Group disposed of 90.91% interest in Ontrack Investments Limited ("Ontrack") at a consideration of HK$14.73 million. The Group lost the control in this entity as the Group's effective interest reduced from 100% to 9.09% and the carrying amount of the interest in Ontrack is now included in "available-for-sale" financial assets in the consolidated statement of financial position. A gain of HK$1,310,000 is recognised in the consolidated statement of comprehensive income from this transaction.

16. INVESTMENTS IN ASSOCIATES

	Group 2011 HK$'000	Group 2010 HK$'000
Unlisted shares		
Share of net assets	85,991	82,643

	Company 2011 HK$'000	Company 2010 HK$'000
Unlisted shares, at cost	60,000	60,000
Impairment losses	–	–
	60,000	60,000

Details of the Group's associates at 31 March 2011 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$'000	Carrying amount HK$'000	Net assets attributable to the Group HK$'000
CSOP Asset Management Limited ("CSOP")	Corporate	Hong Kong	60,000,000 ordinary shares of HK$1 each	30% (2010: 30%)	Asset management and investment holding	60,000 (2010: 60,000)	81,725 (2010: 79,454)	81,725 (2010: 79,454)
Guotai Junan Fund Management Limited	Corporate	Hong Kong	2,990,000 ordinary shares of HK$1 each	29.9% (2010: 29.9%)	Asset management and trading in securities	2,990 (2010: 2,990)	3,967 (2010: 2,906)	3,967 (2010: 2,906)
OP Calypso Capital Limited ("CHK")	Corporate	Hong Kong	1,464,300 ordinary shares of HK$1 each	30% (Note) (2010: 30%)	Asset management	1,464 (2010: 1,464)	256 (2010: 238)	256 (2010: 238)
OP Calypso Capital (Cayman) Limited ("CC")	Corporate	Cayman Islands	600 ordinary shares of US$1 each	30% (Note) (2010: 30%)	Asset management	5 (2010: 5)	5 (2010: 5)	5 (2010: 5)
Prodirect Investments Limited ("PIL") (Refer to note 15)	Corporate	British Virgin Islands	3 ordinary shares of US$1 each	30% (2010: 100%)	Investment holding	– (2010: –)	– (2010: –)	– (2010: –)
Top Commodity Capital Management Limited	Corporate	Hong Kong	45,000 ordinary shares of HK$1 each	30% (2010:30%)	Asset management	45 (2010: 45)	38 (2010: 40)	38 (2010: 40)

Note: According to the Memorandum and Articles of Association of CHK and CC, each holder of ordinary shares is entitled to one vote for each 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:

	2011 HK$'000	2010 HK$'000
At 31 March		
Total assets	396,569	348,957
Total liabilities	(60,675)	(24,250)
Net assets	335,894	324,707
Group's share of associates' net assets	85,991	82,643
Year ended 31 March		
Total revenue	69,390	67,759
Total profits for the year	15,389	93,890
Group's share of associates' profits for the year	3,216	22,946

17. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group 2011 HK$'000	**Company 2011 HK$'000**	Group 2010 HK$'000	Company 2010 HK$'000
Listed equity securities, at fair value	52,997	–	144,771	–
Unlisted equity securities, at fair value	475,618	–	414,602	–
Unlisted debt instruments, at fair value	134,038	–	130,545	–
	662,653	–	689,918	–

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

Details of the Group's available-for-sale financial assets at 31 March 2011 are as follows:

Listed equity securities

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note) HK$'000
(a) Kaisun Energy Group Limited ("Kaisun Energy")	Cayman Islands	129,260,000 ordinary shares of HK$0.01 each	5.1% (2010: 6.4%)	133,138 (2010: 133,138)	52,997# (2010: 144,771)	3.34%	88,155 (2010: 105,114)

Unlisted equity securities

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note) HK$'000
(b) CHK	Hong Kong	1,000 non-voting preference shares of HK$1.00 each	100% (2010: 100%)	4,519 (2010: 4,519)	27,019# (2010: 11,119)	1.70%	1 (2010: 1)
(c) CC	Cayman Islands	100 non-voting preference shares of USD1.00 each	100% (2010: 100%)	21,184 (2010: 21,184)	48,584# (2010: 22,684)	3.06%	8,133 (2010: 2,334)
(d) Thrive World Limited ("TWL")	British Virgin Islands	10 ordinary shares of USD1.00 each	10% (2010: 10%)	232,648 (2010: 232,648)	332,227# (2010:323,824)	20.92%	332,227 (2010: 223,675)
(e) Crown Honor Holdings Limited ("CHHL")	British Virgin Islands	300,000 non-voting preference shares of USD0.10 each	30% (2010: 30%)	16,959 (2010: 16,959)	58,208# (2010:56,975)	3.66%	28,063 (2010: 24,378)
(f) Jin Dou Development Fund, L.P. ("Jin Dou")	Cayman Islands	US$1,500,000 contribution	9.09% (2010: –)	11,653 (2010: –)	9,580 (2010: –)	0.60%	9,580 (2010: –)

Unlisted debt instruments

Nature	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group HK$'000
(g) Debt component in unlisted convertible bonds	N/A	N/A	N/A	123,110 (2010:123,110)	134,038# (2010: 130,545)	8.44%	N/A

The carrying amounts also represent their fair values.

Note: The calculation of net assets attributable to the Group is based on the latest published interim reports or annual reports or unaudited accounts of the respective investments at the reporting date.

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

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

(a) The Company through a subsidiary, Profit Raider Investments Limited, holds 129,260,000 ordinary shares issued by Kaisun Energy, a limited company incorporated in the Cayman Islands with its shares listed on the Growth Enterprise Market of the Stock Exchange. Kaisun Energy is principally engaged in the exploitation and sale of raw coal. No dividend was received during the year. The latest audited loss attributable to shareholders of Kaisun Energy for the period ended 31 December 2010 was approximately HK$31,835,000 and the audited net assets attributable to shareholders of Kaisun Energy at 31 December 2010 was approximately HK$1,730,415,000. The fair value of the investment in Kaisun Energy is based on quoted market bid prices.

(b) 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 2011 of CHK was approximately HK$61,000 and the unaudited net asset value of CHK at 31 March 2011 was approximately HK$854,000. The fair value of 100% non-voting preference shares in CHK at 31 March 2011 was determined by the directors 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 projections prepared by the management of CHK derived from the most recent approved financial budgets for the next 9.75 years. The discount rate used is 16.59% and cash flows beyond 9.75-year period are extrapolated using a growth rate of 3%.

(c) The Company through a subsidiary, Suremind Investments Limited, holds 100% non-voting preference shares in CC. No dividend was received during the year (2010: HK$8,690,998). The unaudited profit for the year ended 31 March 2011 of CC was approximately HK$5,859,000 and the unaudited net asset value of CC at 31 March 2011 was approximately HK$8,149,000. The fair value of 100% non-voting preference shares in CC was determined by the directors 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 projections prepared by the management of CC derived from the most recent approved financial budgets for the next 9.75 years. The discount rate used is 16.59% and cash flows beyond 9.75-year period are extrapolated using a growth rate of 3%.

(d) The Company through a subsidiary, Wisland Investments Limited, holds 10% ordinary shares in TWL. TWL, an investment holding company, holds 50% equity interests in Nobel Holdings Investment Limited ("NHIL"). NHIL is in the business of exploration and production of oil and natural gas in Russia. No dividend was received during the year. The unaudited profit for the period ended 30 September 2010 of TWL was approximately HK$999,200,000 and the unaudited net asset value of TWL at 30 September 2010 was approximately HK$3,242,000,000. The fair value of the investment in TWL is determined by the directors mainly based on the fair value of the underlying assets held by TWL, determined by reference to the valuation carried out by an external independent valuer by Discounted Cash Flow Method which is based on a technical report issued by an international oil and gas consulting firm appointed by the management of NHIL in respect of the estimated oil reserves for the next 20 years. The discount rate used is 15.3%.

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

(e) The Company through a subsidiary, Sunshine Prosper Limited, holds 80% non-voting preference shares in CHHL. 30% non-voting preference shares in CHHL are classified as available-for-sale financial assets; whereas 50% non-voting preference shares in CHHL are classified as financial assets at fair value through profit or loss (details of which are set out in note 18 to the financial statements).

The fair value of the 30% non-voting preference shares in CHHL at 31 March 2011 was determined by the directors 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 projections prepared by the management of CHHL derived from the most recent approved financial budgets covering a two-year period. The discount rate used is 15.05% and cash flows beyond the two-year period are extrapolated using a growth rate of 3%.

The audit of the consolidated financial statements of CHHL for the year ended 31 December 2010 is not yet finalised as of the date of this report and the management accounts of CHHL as at 31 March 2011 may be subject to change. After taking into account the most recent relevant financial information of CHHL, the directors consider the valuation result as recognised in the interim report as of 30 September 2010 that was based on an independent valuation report still represents the best estimated fair value of the CHHL-related financial assets as at 31 March 2011.

(f) The Company through a subsidiary, OPFI(GP1) Limited, contributed US$1,500,000 to Jin Dou Development Fund, L.P. ("Jin Dou"), a partnership with a co-investment partner, for the purpose of exploring agricultural investment opportunities in Kazakhstan. As at 31 March 2011, the Group shared operating losses and net assets of approximately HK$2.07 million and HK$9.58 million respectively. As the project is still in exploring stage and the future income streams are uncertain, the fair value of the investment was determined by reference to the net asset value as at 31 March 2011.

(g) The Company through a subsidiary, Profit Raider Investments Limited, holds convertible bonds with an aggregate principal amount of HK$142,620,000 issued by Kaisun Energy. The convertible bonds bear interest at 3.75% per annum with maturity on 10 June 2013. The Group can exercise the conversion option at any time until the maturity date. The conversion price is HK$0.7 per share. Unless previously converted or redeemed or repurchased, Kaisun Energy shall redeem the convertible bonds at the outstanding principal amount together with interest accrued thereon at the maturity date. The convertible bonds (debt component) are classified as available-for-sale financial assets; separating the equity conversion option (the embedded derivative) from the host bond classified as financial assets at fair value through profit or loss (note 18). The fair value of the debt component of the convertible bonds was determined by reference to the valuation carried out by an external independent valuer by using the Discounted Cash Flow Method. The discount rate used is 3.559%.

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group 2011 HK$'000	**Company 2011 HK$'000**	Group 2010 HK$'000	Company 2010 HK$'000
Equity securities listed in Hong Kong, at fair value	8,750	8,750	4,750	4,750
Unlisted investment funds, at fair value	280,958	–	286,294	–
Unlisted equity securities, at fair value	231	–	231	–
Unlisted equity securities with embedded derivative, at fair value	37,322	–	34,519	–
Derivatives, at fair value	27,641	–	169,950	–
Unlisted debt securities, at fair value	17,479	–	–	–
	372,381	8,750	495,744	4,750
Analysed as:				
Current assets	333,890	8,750	332,824	4,750
Non-current assets	38,491	–	162,920	–
	372,381	8,750	495,744	4,750

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

During the year, net unrealised loss of approximately HK$128,109,000 (2010: net unrealised gain of approximately HK$105,884,000) arising from changes in fair value of financial assets at fair value through profit or loss was recognised in the consolidated statement of comprehensive income.

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

Details of the Group's financial assets at fair value through profit or loss are as follows:

At 31 March 2011

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$'000	Market value HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(a) China Data Broadcasting Holdings Limited ("CHINA DATA")	Bermuda	5,000,000 ordinary shares of HK$0.025 each	1.57%	9,535	8,750	4,000	0.55%	492

Unlisted investment funds

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(b) Calypso Asia Fund	Cayman Islands	166,757 participating shares of USD0.01 each	N/A	154,864	142,765	(12,278)	8.99%	142,765
(b) Greater China Select Fund	Cayman Islands	37,462 participating shares of USD0.01 each	N/A	30,000	29,023	185	1.83%	29,023
(b) Greater China Special Value Fund	Cayman Islands	127,408 participating shares of USD0.01 each	N/A	97,160	109,170	12,010	6.87%	109,170

Unlisted equity securities

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(c) CHHL	British Virgin Islands	300,000 ordinary shares of USD0.10 each	30%	231	231#	–	0.01%	231

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

At 31 March 2011 (continued)

Unlisted equity securities with embedded derivative

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(c) CHHL – 500,000 preference shares with embedded derivative of percentage adjustment	British Virgin Islands	500,000 non-voting preference shares of USD0.10 each	50%	28,264	37,322#	2,804	2.35%	46,772

Derivatives

Nature	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(c) Profit guarantees	N/A	N/A	N/A	N/A	6,860#	(401)	0.43%	N/A
(d) Derivative component in unlisted convertible bonds	N/A	N/A	N/A	104,954	20,781#	(141,908)	1.31%	N/A

Unlisted debt securities

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(e) Convertible bond issued by Glory Wing International Limited ("Glory Wing")	British Virgin Islands	N/A	N/A	10,000	17,479#	7,479	1.10%	N/A

The carrying amounts also represent their fair values.

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

At 31 March 2010

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$'000	Market value HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(a) CHINA DATA	Bermuda	5,000,000 ordinary shares of HK$0.025 each	1.57%	9,535	4,750	4,750	0.31%	221

Unlisted investment funds

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(b) Asian Special Opportunities Fund	Cayman Islands	150,000 participating shares of USD0.01 each	N/A	117,082	120,741#	10,587	7.77%	120,741
(b) Calypso Asia Fund	Cayman Islands	150,000 participating shares of US$0.01 each	N/A	116,257	135,497#	19,240	8.72%	135,497
(b) Greater China Select Fund	Cayman Islands	28,339 participating shares of US$0.01 each	N/A	22,000	21,791#	(209)	1.40%	21,791
(b) Greater China Select Fund, original series	Cayman Islands	83,615 participating shares of US$0.01 each	N/A	8,000	8,265#	265	0.53%	8,265

Unlisted equity securities

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(c) CHHL	British Virgin Islands	300,000 ordinary shares of US$0.10 each	30%	231	231#	–	0.01%	231

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

At 31 March 2010 (continued)

Unlisted equity securities with embedded derivative

Name of investee	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(c) CHHL – 500,000 preference shares with embedded derivative of percentage adjustment	British Virgin Islands	500,000 non-voting preference shares of US$0.10 each	50%	28,264	34,519#	6,255	2.22%	40,630

Derivatives

Nature	Place of incorporation	Particular of issued shares held	Proportion of investee's capital owned	Cost HK$'000	Carrying amount HK$'000	Unrealised gain/(loss) (Note 1) HK$'000	Percentage of total assets of the Group	Net assets attributable to the Group (Note 2) HK$'000
(c) Profit guarantees	N/A	N/A	N/A	N/A	7,261#	7,261	0.47%	N/A
(d) Derivative component in unlisted convertible bonds	N/A	N/A	N/A	104,954	162,689#	57,735	10.47%	N/A

\# The carrying amounts also represent their fair values.

Notes:

(1) The unrealised gain/loss represented the changes in fair value of the respective investments during the year.

(2) The calculation of net assets attributable to the Group is based on the latest published interim reports or annual reports or unaudited accounts of the respective investments at the reporting date.

A brief description of the business and financial information of the 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 2010 was approximately HK$17,201,000 and the audited net assets attributable to shareholders of CHINA DATA at 31 December 2010 was approximately HK$31,265,000. The fair value of the investment in CHINA DATA is based on quoted market bid prices.

(b) Calypso Asia Fund, Greater China Select Fund and Greater China Special Value Fund are open ended funds which primary objective is to provide absolute returns through pursuing a strategy, investing primarily in liquid equities and derivative instruments. No dividend was received during the year. The unaudited net asset values of Calypso Asia Fund, Greater China Select Fund and Greater China Special Value Fund attributable to the Group as at 31 March 2011 were approximately HK$242,866,000, HK$29,023,000 and HK$109,170,000 respectively. The fair values of these unlisted investment funds were established by reference to the prices quoted by fund administrator.

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

(c) Pursuant to the Subscription Agreement, the Group through a subsidiary, Sunshine Prosper Limited, holds 30% ordinary shares and 80% non-voting preference shares in CHHL. CHHL is principally engaged in managing an insurance policy distribution network. The unaudited profit attributable to shareholders of CHHL for the period ended 30 September 2010 was approximately HK$34,980,000 and the unaudited net assets attributable to shareholders of CHHL at 30 September 2010 was approximately HK$102,285,000.

According to the Memorandum and Articles of Association of CHHL, each holder of ordinary share is entitled to one vote at a meeting of the shareholders; whereas the holders of non-voting preference shares are entitled to all the audited consolidated profit after tax of CHHL. No dividend was received during the year.

As part of the Subscription Agreement, the percentages of shareholdings of non-voting preference shares held by the Group and the co-investor shall be adjusted in accordance with the audited consolidated profit after tax for the financial years end on 31 December 2009, 31 December 2010 and 31 December 2011 in the manners specified in the Subscription Agreement (the "Percentage Adjustment"). The Group's return thereon will change in response to the changes in operating results of CHHL and hence an embedded derivative exists in the terms of the Subscription Agreement with respect to adjustment up to a maximum of 50% of non-voting preference shares in CHHL held by the Group. The 50% non-voting preference shares in CHHL (subject to the Percentage Adjustment) including the related embedded derivative are designated as financial assets at fair value through profit or loss; whereas the 30% non-voting preference shares are accounted for as available-for-sale financial assets.

Pursuant to the Subscription Agreement, CHHL and certain warrantors provide profit guarantees to the Group that the audited consolidated profit after tax of CHHL will not be less than RMB20 million and RMB60 million for the financial years end on 31 December 2009 and 31 December 2010 respectively (the "Profit Guarantee"). If CHHL fails to meet the aforesaid guaranteed profit in any of the two years, the warrantors shall pay a cash compensation for the relevant year equivalent to the shortfall of the guaranteed profit attributable to the Group's equity interest of non-voting preference shares in CHHL. Alternatively, the Group may exercise its rights to call for redemption of all or any part of the non-voting preference shares held at a price specified in the Subscription Agreement.

The fair value of the 50% non-voting preference shares in CHHL at 31 March 2011 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 projections prepared by the management of CHHL derived from the most recent approved financial budgets covering a two-year period. The discount rate used is 15.05% and cash flows beyond the two-year period are extrapolated using a growth rate of 3%. The fair value of the 50% non-voting preference shares in CHHL is then adjusted by the fair value of the embedded derivative of Percentage Adjustment determined by reference to the valuation carried out by an external independent valuer by using Discounted Cash Flow Method which is based on the expected cash flows resulted from the Percentage Adjustment taking into account the probability of meeting the underlying conditions as specified in the Subscription Agreement. The discount rate used is 2.099%.

The fair value of the Profit Guarantees was determined by reference to the valuation carried out by an external independent valuer by using Discounted Cash Flow Method which is based on the expected cash flows from the cash compensation and redemption of shares taking into account the probability that CHHL fails to meet the guaranteed profit. The discount rate used is 2.099%.

The audit of the consolidated financial statements of CHHL for the year ended 31 December 2010 is not yet finalised as of the date of this report and the management accounts of CHHL as at 31 March 2011 may be subject to change. After taking into account the most recent relevant financial information of CHHL, the directors consider the valuation result as recognised in the interim report as of 30 September 2010 that was based on an independent valuation report still represents the best estimated fair value of the CHHL-related financial assets as at 31 March 2011.

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

(d) The fair value of the derivative component in unlisted convertible bonds issued by Kaisun Energy is determined by reference to the valuation carried out by an external independent valuer by using the Binomial Option Pricing Model. The inputs to the model are as follows:

Expected volatility	–	69.487%
Dividend yield	–	0%
Spot price	–	HK$0.41
Risk free rate	–	0.737%

(e) Glory Wing is an investment vehicle whose core position is an Iron Ore mining operation called Taolegai Mine, located in Inner Mongolia. Glory Wing has invested a total of HK$70 million in the project in the form of convertible bonds, of which OP Financial's allocation is HK$10 million. The convertible bonds bear interest at 3% per annum with maturity on 9 April 2013. The Group can exercise the conversion option at any time until the maturity date. The fair value of the instrument was determined by reference to the valuation carried out by an external independent valuer by using the Discontinued Cash Flow Method and Binomial Option Pricing Model. The inputs to the models are as follows:

Expected volatility	–	68.095%
Dividend yield	–	0%
Share Price	–	HK$41,000
Risk free rate	–	0.654%

19. ACCOUNTS AND LOANS RECEIVABLE

Group

	Note	**2011 HK$'000**	2010 HK$'000
Accounts receivable	(a)	11,060	8,377
Amounts due from associates	(b)	37	–
Loan to an investee, repayable within one year	(c)	61,100	–
Loan to an associate, not repayable within one year	(d)	1,500	–
Other loan, not repayable within one year	(e)	3,500	–
		77,197	8,377

Company

	Note	**2011 HK$'000**	2010 HK$'000
Amounts due from associates	(b)	37	–
Loan to an associate, not repayable within one year	(d)	1,500	–
Other loan, not repayable within one year	(e)	3,500	–
		5,037	–

19. ACCOUNTS AND LOANS RECEIVABLE (continued)

(a) At 31 March 2011, the Group's accounts receivable represented performance premium receivable from a co-investment partner. The Group does not hold any collateral or other credit enhancements over the accounts receivable.

The aging analysis of accounts receivable based on the invoice date is as follows:

	2011 **HK$'000**	2010 HK$'000
Within 3 months	3,633	8,377
3 – 6 months	3,713	–
6 – 12 months	3,714	–
	11,060	8,377

At 31 March 2011, the accounts receivable was neither past due nor impaired.

(b) Amounts due from associates arise mainly from administrative expenses paid by the Group on behalf of the associates. The amounts are unsecured, interest–free and have no fixed repayment terms. No provision has been made on the balances.

(c) Loan to an investee is unsecured, bearing interest at 4% per annum and repayable within one year.

(d) Loan to an associate is unsecured, interest–free and not repayable within one year.

(e) Other loan represents loan to the major shareholder of one of the Group's associates. It is unsecured, interest–free and not repayable within one year.

20. DEFERRED TAX

At 31 March 2011, deferred tax has not been recognised in respect of the following items:

	Group **2011** **HK$'000**	**Company** **2011** **HK$'000**	Group 2010 HK$'000	Company 2010 HK$'000
Unused tax losses	29,883	22,677	190	–
Deductible temporary differences	41	41	15	15
	29,924	22,718	205	15

At 31 March 2011, the Group has not recognised deferred tax asset in respect of unused tax losses of approximately HK$29,883,000 (2010: approximately HK$190,000) due to the unpredictability of future profit streams. HK$1,291,000 and HK$190,000 of the unrecognised tax losses will expire in 5 and 4 years respectively and the remaining balance will not expire until utilized (2010: HK$190,000 will expire in 5 years).

At 31 March 2011, the Group has not recognised deferred tax asset in respect of excess of accounting depreciation over tax depreciation of approximately HK$41,000 (2010: HK$15,000).

21. SHARE CAPITAL

	Number of shares			
	2011	2010	**2011**	2010
	'000	'000	**HK$'000**	HK$'000
Authorised:				
Ordinary shares of HK$0.10 each	2,000,000	2,000,000	200,000	200,000
Issued and fully paid:				
Ordinary shares of HK$0.10 each				
At beginning of the year	784,500	784,500	78,450	78,450
Issue of shares by placing	156,900	–	15,690	–
At end of the year	941,400	784,500	94,140	78,450

On 30 June 2010, 156,900,000 new ordinary shares were issued at the subscription price of HK$1.9 per share. The new shares of HK$0.10 each rank pari passu in all aspects with the existing shares of the Company. The net proceeds from the placing (after deducting share issue expenses of HK$15,035,000) was HK$283,075,000 and resulted in an increase in share premium of HK$267,385,000.

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 directors regard total equity as capital, for capital management purposes.

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 2011 and 2010.

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.

Movement of the Company's share options during the year ended 31 March 2011:

Grantee	Date of grant	Outstanding at beginning of the year	Granted during the year	Lapsed during the year	Forfeited during the year	Outstanding at end of the year	Exercise price	Exercise period
							HK$	
Directors	20.12.2007	2,000,000	–	(2,000,000)	–	–	1.974	20.12.2007 to 20.12.2010
Employees	20.12.2007	3,800,000	–	(3,800,000)	–	–	1.974	20.12.2007 to 20.12.2010
Directors of group companies	20.4.2010	–	3,500,000	–	–	3,500,000	1.64	20.4.2010 to 19.4.2015
Directors of group companies	20.4.2010	–	3,500,000	–	–	3,500,000	1.64	31.7.2010 to 19.4.2015
Directors of group companies	20.4.2010	–	1,750,000	–	–	1,750,000	1.64	31.12.2010 to 19.4.2015
Directors of group companies	20.4.2010	–	1,750,000	–	–	1,750,000	1.64	31.3.2011 to 19.4.2015
Directors of group companies	20.4.2010	–	3,500,000	–	–	3,500,000	1.64	31.12.2012 to 19.4.2015
Employees	20.4.2010	–	2,550,000	–	–	2,550,000	1.64	20.4.2010 to 19.4.2015

22. SHARE OPTION SCHEME (continued)

Grantee	Date of grant	Outstanding at beginning of the year	Granted during the year	Lapsed during the year	Forfeited during the year	Outstanding at end of the year	Exercise price	Exercise period
							HK$	
Employees	20.4.2010	–	1,750,000	–	–	1,750,000	1.64	31.7.2010 to 19.4.2015
Employees	20.4.2010	–	1,750,000	–	–	1,750,000	1.64	31.3.2011 to 19.4.2015
Employees	20.4.2010	–	1,750,000	–	–	1,750,000	1.64	31.12.2012 to 19.4.2015
Consultant	20.4.2010	–	2,000,000	–	(2,000,000)	–	1.64	31.7.2010 to 19.4.2015
Consultant	20.4.2010	–	2,000,000	–	(2,000,000)	–	1.64	30.6.2011 to 19.4.2015
Consultant	20.4.2010	–	3,000,000	–	(3,000,000)	–	1.64	31.12.2012 to 19.4.2015
Consultants	18.2.2011	–	13,000,000	–	–	13,000,000	1.64	18.2.2011 to 17.2.2016
		5,800,000	41,800,000	(5,800,000)	(7,000,000)	34,800,000		

22. SHARE OPTION SCHEME (continued)

Movement of the Company's share options during the year ended 31 March 2010:

Grantee	Date of grant	Outstanding at beginning of the year	Granted during the year	Lapsed/ forfeited during the year	Outstanding at end of the year	Exercise price	Exercise period
						HK$	
Directors	20.12.2007	2,000,000	–	–	2,000,000	1.974	20.12.2007 to 20.12.2010
Employees	20.12.2007	3,800,000	–	–	3,800,000	1.974	20.12.2007 to 20.12.2010
		5,800,000	–	–	5,800,000		

Notes:

(a) The closing prices of the ordinary shares of the Company immediately before the date on which the options were granted was HK$1.55 and HK$1.52 on 20 April 2010 and 18 February 2011 respectively.

(b) 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.

Details of the share options granted on 20 April 2010 was as follows:

Theoretical aggregate value:	HK$13,706,000
Fair value recognised in profit or loss during the year:	HK$6,453,000
Risk free interest rate:	2.027%
Expected volatility:	97.288%
Expected life of the options:	5 years from the date of grant
Expected dividend yield:	2.423%

Details of the share options granted on 18 February 2011 was as follows:

Theoretical aggregate value:	HK$10,607,000
Fair value recognised in profit or loss during the year:	HK$10,607,000
Risk free interest rate:	1.897%
Expected volatility:	99.38%
Expected life of the options:	5 years from the date of grant
Expected dividend yield:	0.75%

The measurement dates of the share options were 20 April 2010 and 18 February 2011, being the dates of grant of the share options. Where the grantees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest or lapse.

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.

The expected volatility of the underlying security of the options was determined based on the historical volatility of the share prices of the Company, as extracted from Bloomberg.

23. RESERVES

(a) Group

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

(b) Company

	Share premium HK$'000	Share-based payment reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2009	792,438	6,120	(25,258)	773,300
Loss for the year	–	–	(16,119)	(16,119)
At 31 March 2010 and 1 April 2010	792,438	6,120	(41,377)	757,181
Issues of shares by placing	267,385	–	–	267,385
Grant of share options	–	17,224	–	17,224
Share options forfeited	–	(164)	–	(164)
Share options lapsed	–	(6,120)	6,120	–
Loss for the year	–	–	(37,081)	(37,081)
At 31 March 2011	**1,059,823**	**17,060**	**(72,338)**	**1,004,545**

The Company's reserves available for distribution comprise share premium, share-based payment reserve and accumulated losses. In the opinion of the directors, the Company's reserves available for distribution to the shareholders at 31 March 2011 were approximately HK$1,004,545,000 (2010: HK$757,181,000).

(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(p) 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 reporting date and is dealt with in accordance with the accounting policy in note 3(g) to the financial statements.

24. 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 2011 of approximately HK$1,588,288,000 (2010: HK$1,480,099,000) by the number of ordinary shares in issue at that date, being 941,400,000 (2010: 784,500,000).

25. MAJOR NON-CASH TRANSACTIONS

There is no major non-cash transaction during the year.

26. LEASE COMMITMENTS

At 31 March 2011, the total future minimum lease payments under non-cancellable operating lease for office premises are payable as follows:

	Group	
	2011	2010
	HK$'000	HK$'000
Within one year	2,509	–
In the second to fifth years inclusive	–	–
	2,509	–

27. 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 5.5 million new shares of the Company on 7 August 2008, the issuance of additional 4.5 million consideration shares and the grant of consideration share options for 20 million shares (subject to the achievement of certain vesting conditions as described in the announcement of the Company dated 26 June 2008). Due to the vesting conditions were not fulfilled, the requirement of the issuance of additional 4.5 million consideration shares and 10 million consideration share options were discharged.

The remaining 10 million consideration share options issuable after 30 June 2010 were accounted for as derivatives. At 31 March 2010, the fair value of the remaining 10 million consideration share options was nil, based on the directors' best estimate by using the Binominal Option Pricing Model and taking into account the probability of meeting the vesting conditions attached to the options as zero.

During the year ended 31 March 2010, the estimation of the probability of meeting the vesting conditions attached to the options reduced the fair value of other financial liabilities to nil balance, hence, fair value gain of approximately HK$7,760,000 arising from changes in fair value of other financial liabilities was recognised in the consolidated statement of comprehensive income.

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	2011 HK$'000	2010 HK$'000
Oriental Patron Asia Limited ("OPAL") (note a)	Investment management fee paid/ payable (of which approximately HK$2,063,000 (2010: approximately HK$1,737,000) was included in other payables) (note c)	23,808	17,637
OPAL	Accrued performance fee (note c)	–	65,363
Oriental Patron Finance Limited ("OPFL") (note b)	Rental paid (note d)	573	941
Oriental Patron Management Service Limited ("OPMSL") (note d)	Rental paid (note d)	410	–

Notes:

(a) OPAL is the investment manager of the Company and is a wholly owned subsidiary of Oriental Patron Financial Services Group Limited ("OPFSGL"). 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) OPFL is a related company; the directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo have significant influence in OPFL.

(c) 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.

(d) The Company entered into a licence agreement with OPFL on 13 March 2009 in respect of the provision of the principal place of business of the Company for a monthly rental of HK$81,900 (2010: HK$78,400) effective from 13 March 2009 to 30 October 2010. The licence agreement was rearranged effective on 1 November 2010 with OPMSL, the wholly owned subsidiary of OPFSGL, for the same monthly rental.

(e) Please refer to note 19 (b) to (e) for other related party balances and transactions.

Compensation of key management personnel

The key management personnel of the Company comprises all directors, details of their remuneration are disclosed in note 13 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 statement of comprehensive income amounted to approximately HK$191,000 (2010: approximately HK$108,000).

30. EVENTS AFTER THE REPORTING PERIOD

On 16 June 2011 and up to the date of this report, one of the Group's investments – Kaisun Energy – has suspended its trading in the Stock Exchange pending the release of an announcement relating to a very substantial disposal, which is price sensitive in nature.

31. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board on 20 June 2011.

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				
	2011	2010	2009	2008	2007
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
RESULTS					
Revenue	47,934	458,201	7,663	9,464	1,438
(Loss)/Profit before tax	(233,327)	478,368	(25,616)	(16,783)	9,454
Income tax	–	(5,298)	–	–	(1,403)
(Loss)/Profit for the year	(233,327)	473,070	(25,616)	(16,783)	8,051
Other comprehensive income	41,381	120,257	41,461	–	–
Total comprehensive income	(191,946)	593,327	15,845	(16,783)	8,051

	At 31 March				
	2011	2010	2009	2008	2007
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
ASSETS AND LIABILITIES					
Total assets	1,596,764	1,554,399	901,075	765,216	63,019
Total liabilities	(8,476)	(74,300)	(14,303)	(16,937)	(1,778)
Net assets	1,588,288	1,480,099	886,772	748,279	61,241