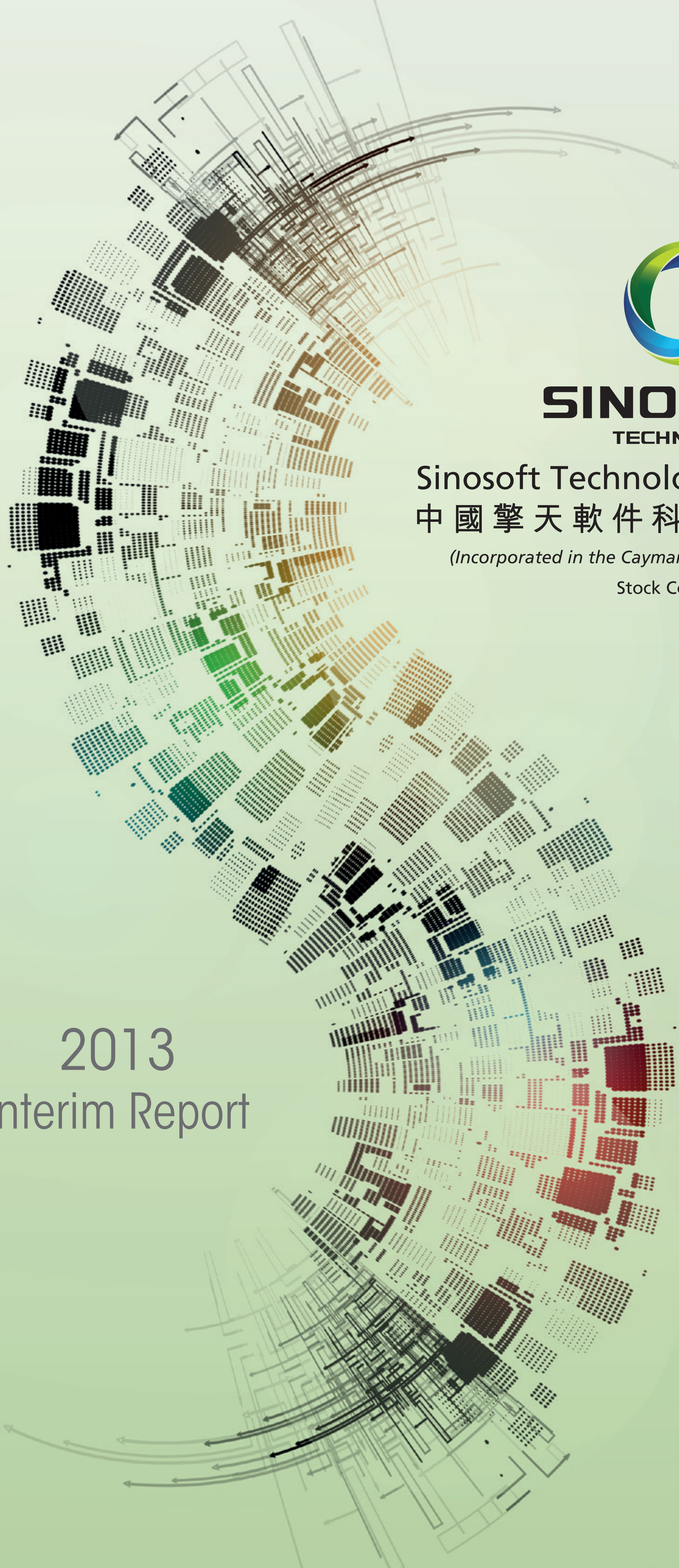

SINOSOFT TECHNOLOGY

Sinosoft Technology Group Limited
中國擎天軟件科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1297

2013
Interim Report

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Ms. Xin Yingmei *(Chairlady)*
Mr. Yu Yifa

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kang Choon Kiat
Mr. Kwauk Teh Ming, Walter
Mr. Zong Ping

AUDIT COMMITTEE

Mr. Kwauk Teh Ming, Walter *(Chairman)*
Mr. Kang Choon Kiat
Mr. Zong Ping

REMUNERATION COMMITTEE

Mr. Kang Choon Kiat *(Chairman)*
Mr. Kwauk Teh Ming, Walter
Mr. Yu Yifa

NOMINATION COMMITTEE

Ms. Xin Yingmei *(Chairlady)*
Mr. Kwauk Teh Ming, Walter
Mr. Zong Ping

INVESTMENT MANAGEMENT COMMITTEE

Mr. Kang Choon Kiat *(Chairman)*
Mr. Kwauk Teh Ming, Walter
Mr. Zong Ping

AUTHORIZED REPRESENTATIVES

Mr. Yu Yifa
Dr. Ngai Wai Fung

COMPANY SECRETARY

Dr. Ngai Wai Fung *(FCIS, FCS(PE), CPA, FCCA)*

COMPLIANCE ADVISER

TC Capital Asia Limited
Suite 1904, 19th Floor, Tower 6
The Gateway, Harbour City
9 Canton Road, Tsim Sha Tsui
Kowloon
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu

REGISTERED OFFICE

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Cayman Islands

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Jiangsu
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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183 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKERS

Shanghai Pudong Development Bank
China Merchants Bank

COMPANY WEBSITE

www.sinosoft-technology.com

STOCK CODE

1297

OVERALL FINANCIAL PERFORMANCE

The board (the "Board") of directors (the "Directors") of the Company is also proud to report that the Company has completed its global offering of an aggregate of 332,258,000 shares of the Company ("Shares") (including the Shares allotted pursuant to the exercise of the over-allotment option). The Company has received gross proceeds from the global offering of approximately HK$409.3 million and the Group intends to use the net proceeds for (i) its research and development activities, (ii) reserve for potential mergers and acquisitions in the future, (iii) repayment of bank facilities utilized by Infotech Holdings Pte. Ltd., (iv) purchase of computer equipment and other ancillary software, (v) the marketing of its products and services and the promotion of the Group, and (vi) working capital requirements and general corporate purposes. For details of the use of proceeds, please refer to the prospectus of the Company dated 27 June 2013.

During the first half of 2013, the operating environment in the PRC had continued to be slowed. Despite such a weak operating environment, during the period under review, Sinosoft Technology Group Limited (the "Company") and its subsidiaries (collectively, the "Group") managed to sustain a healthy year-on-year growth in its revenues, earnings and cashflow.

REVENUE

Sales of the Group surged 47.5% to RMB 104.0 million in the first half of 2013 when compared to RMB 70.5 million for the same period of 2012. During the six months ended 30 June 2013, all business segments recorded an increase in revenue, with export tax software and e-Government solutions recording a promising growth of 76.5% and 42.9%, respectively. The Group's latest business segment — carbon management solutions, recorded a revenue of RMB 7.8 million for the six months ended 30 June 2013 (for the six months ended 30 June 2012: nil). Further, the Group's information integration software and system integration solutions segments also recorded a marginal growth of approximately 6.2% and 6.6%, respectively, for the six months ended 30 June 2013.

Export Tax Software and Related Services

Despite the continuing slowdown in the export industry of the PRC, the Group's revenue generated from its export tax software and related services still managed to surge significantly by 76.5% as compared to the same period of 2012. The increase was mainly due to the fact that during such dire time in the export industry, the speed in obtaining export tax rebate is becoming ever more crucial to an export enterprise. Therefore, export enterprises have become more willing to invest in spending relatively small amount of money in purchasing the Group's value-added products and/or in the Group's consultation service in order to ensure that their export tax rebate application is accurate and thus resulting in a speedier process of obtaining the export tax rebate.

In addition, being the leading enterprise in the export tax software industry in Jiangsu province and having been engaged in developing and enhancing export tax software for more than a decade, the Group has accumulated vast practical knowledge in export tax rebate management through studying the relevant regulations and analyzing samples of export tax rebate applications. As the regulations for export tax rebate have become more complicated, export enterprises have also been increasingly attracted to the Group's training courses. As a result of the increasing recognition of the quality of the training provided by the Group, revenue from this area had increased from approximately RMB 2 million for the six months ended 30 June 2012 to approximately RMB 7 million for the six months ended 30 June 2013.

e-Government solutions

Amid a slowing economy, the PRC government has continued to embark on its initiative to digitalize government administrations. This has driven the Group's e-Government solutions, which are designed to be used by government agencies at various administrative levels within and beyond the Jiangsu province, to continuously record a healthy growth in sales. Besides, the cloud-based platform that the Group developed for a government agency in Jiangsu province in late 2012 was also sold to another government agency in 2013. In addition, one of the Group's largest customers continued to purchase new solutions during the six months ended 30 June 2013, resulting in the increased sales for this segment.

Carbon management solutions

The Group's carbon management solutions is a recently developed business segment and has been deployed in three cities in the PRC in the past two years. During the period under review, the Group also managed to expand these solutions to another district in Jiangsu province, the PRC. This is the first time such solutions has been utilized at district level, which mark a significant milestone in the track record of the Group in expanding its footprints and solutions to other districts in the PRC.

Information integration

The revenue from information integration segment remained relatively stable at RMB 5.5 million for the six months ended 30 June 2013 as compared to approximately RMB 5.1 million for the six months ended 30 June 2012.

System integration

Depending on the customers' need for installing new systems, the system integration segment has registered slight growth with revenue recorded at approximately RMB 24.2 million for the six months ended 30 June 2013, as compared to approximately RMB 22.7 million for the six months ended 30 June 2012.

COST OF SALES

The Group's cost of sales is made up of the costs incurred for the purchase of system and components for the Group's system integration projects, as well as the amortization of capitalized software cost. The reason for the slight decrease in cost of sales even though revenue has increased significantly is that some of the capitalized software have been fully amortised in 2012 while revenue for these products continued to be generated in the period under review.

SEGMENT RESULTS AND SEGMENT MARGIN

The Group's total segment results (representing the sum of revenue and value-added tax refund less cost of sales and research and development costs) grew by approximately 78.7% to approximately RMB 59.7 million for the six months ended 30 June 2013 from approximately RMB 33.4 million for the six months ended 30 June 2012. The increase was primarily due to an increase in total revenue by 47.5% during the period under review. The Group's segment results margin improved from 47.4% in the six months ended 30 June 2012 to 57.4% in the six months ended 30 June 2013, primarily due to the falling contribution of system integration as a percentage of total sales, which is traditionally one of the Group's lowest margin segments.

RESEARCH AND DEVELOPMENT COSTS

For the six months ended 30 June 2013, the Group's research and development costs increased by approximately 125.8% or RMB 9.2 million when comparing to the same period of 2012. This is due to an increase in the amount of amortization of third party software. Such increase was mainly due to the full amortization of third party software that was purchased during the second half of 2012.

OTHER INCOME AND GAINS

The increase in the Group's other income and gains was mainly due to the net foreign exchange gain from approximately RMB 12,000 for the six months ended 30 June 2012 to approximately RMB 1.2 million for the six months ended 30 June 2013. The increase was mainly attributable to the foreign exchange gain arising from the appreciation of the RMB against the US dollars for the short-term bank loans which was denominated in US dollars.

DISTRIBUTION AND SELLING EXPENSES

During the six months ended 30 June 2013, distribution and selling expenses of the Group increased slightly by approximately RMB 0.7 million as compared to the six months ended 30 June 2012, although the Group's revenue increased by approximately RMB 33.5 million as compared to the six months ended 30 June 2012, due to the management's stringent cost control in this area.

ADMINISTRATIVE AND GENERAL EXPENSES

During the six months ended 30 June 2013, administrative and general expenses of the Group increased by approximately RMB 1.7 million as compared to the six months ended 30 June 2012, mainly due to the increase in staff remuneration.

OTHER EXPENSES AND LOSSES

The increase in other expenses and losses of the Group during the six months ended 30 June 2013 was mainly attributable to the professional fees arising from the Company's listing of its Shares on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 9 July 2013. For six months ended 30 June 2013, a total of RMB 10.3 million was incurred for such professional fees.

INCOME TAX EXPENSE

For the six months ended 30 June 2013, the Group's income tax expenses decreased by approximately 67.5% mainly due to the fact that Nanjing Skytech was re-enlisted on 17 February 2013 as a "Key Software Enterprise under the National Plan" (國家規劃佈局內重點軟件企業) for the two years ended 31 December 2012 and was thus entitled to the reduced tax rate of 10% during that period. This provided the reversal of enterprise income tax amounting to RMB 7.8 million in 2013, resulting in the decrease in income tax expense for the period under review.

NET PROFIT

Net profit of the Group for the six months ended 30 June 2013 amounted to approximately RMB 30.2 million, representing an increase of 196.3% as compared to the six months ended 30 June 2012. Even though there was a significant increase in the expenses such as research and development costs and other expenses and losses, the Group's net profit margin managed to record an increase from 14.5% to 29.0% for the period under review. This is principally due to the improvement in the gross profit margin from 50.8% for the six months ended 2012 to 67.1% for the six months ended 30 June 2013.

NET CURRENT ASSETS

As at 30 June 2013, the Group had net current assets of RMB 153.9 million (31 December 2012: RMB 149.6 million).

FINANCIAL RESOURCES AND LIQUIDITY

During the six months ended 30 June 2013, the Group's primary source of funding included cash generated from operating activities and credit facilities provided by principal banks in Singapore and the PRC. As at 30 June 2013, the net cash inflow from operating activities amounted to approximately RMB 30.8 million (30 June 2012: RMB 6.9 million) and the Group had cash and cash equivalent of RMB 32.6 million (30 June 2012: RMB 27.9 million).

As at 30 June 2013, the total bank borrowings were approximately RMB 80.7 million (31 December 2012: RMB 82.3 million). The Group's net gearing ratio, which is calculated by net total borrowings divided by total shareholders' equity, increased from 12.6% as at 31 December 2012 to 19.8% for the six months ended 30 June 2013. Such increase was mainly due to the decrease in bank balances and cash.

As at 30 June, 2013, the Group had no material contingent liabilities.

CAPITAL COMMITMENT AND EXPENDITURES

During the six months ended 30 June 2013, we purchased RMB 0.7 million worth of electrical equipment (RMB 0.5 million for the six months ended 30 June 2012).

INTANGIBLE ASSETS

The Group's intangible assets consist mainly of capitalized software costs and purchased software. The increase in intangible assets as at 30 June 2013 when compared to that as at 30 June 2012 was mainly attributable to the addition to capitalized software costs of approximately RMB 26.2 million and the addition of purchased software of RMB 3.8 million less the amortization charges for the period under review.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 June 2013, the Group had a total of 503 employees. The Group offered competitive salary package, as well as discretionary bonuses and contribution to social insurance to its employees. The remuneration policy of the Group is to provide remuneration package, in terms of basic salary and discretionary bonuses. In order to ensure that the Group's employees remain competitive in the industry, the Group has adopted training programs for its employees.

FOREIGN EXCHANGE EXPOSURE

The primary economic environment in which the Group operates is the PRC and its functional currency is RMB. However, certain of the Group's bank balances, other payables and short-term borrowings are denominated in USD. During the period under review, the Group recorded an exchange gain of approximately RMB1.2 million (30 June 2012: RMB 12,000) as a result of the appreciation of RMB against the USD.

CHARGES ON ASSETS

As at 30 June 2013, the Group had no charge on assets.

SIGNIFICANT INVESTMENTS HELD

There were no significant investments held, material acquisitions or disposals of subsidiaries for the six months ended 30 June 2013.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at the date of this report, the Group has not entered into any legally binding agreement or arrangement with respect to any investment opportunities except those disclosed in the relevant public announcement and this report.

OUTLOOK

Traditionally, the Group's revenue are weighted towards the latter half of the year (the Group's sales in the second half of the year represented approximately 80.8%, 60.3% and 68.9% of its annual revenue during the years ended 31 December 2010, 2011 and 2012, respectively). Despite the current tough economic conditions in the PRC as compared to 2012, the Company nevertheless recorded continued growth in the export tax, e-Government and carbon management solutions segments. The Board believes that the Company is well positioned to continue to achieve healthy results in the aforesaid segments, especially with the government's continual investment in the digitalization of governmental departments and also the increased attention and resources invested by the government to pursue transparency in the areas of environmental management. Barring unforeseen circumstances, the Group is cautiously optimistic in its performance in the second half of 2013.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2013 (for the six months ended 30 June 2012: nil). A dividend amounting to USD 3,261,380, equivalent to approximately RMB 20.44 million was declared at a Board meeting held on 23 January 2013 and were paid out of the internal resources of the Company on 5 February 2013.

DIRECTORS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION

As at 30 June 2013 and 6 August 2013, being the date of this report, the interests and short positions of the Directors and chief executives of the Company in the Shares, debentures or underlying Shares or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) or which were required, pursuant to section 352 of the SFO to be entered in the register referred to therein or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

Long positions in ordinary shares of HK$0.01 each of the Company as at 30 June 2013:

	Number of ordinary shares held as at 30 June 2013 *(Note 1)*				Approximate % of issued share capital of the Company as at 30 June 2013
Name of Director	Personal interests	Corporate interests	Interest of spouse	Total	
Ms. Xin Yingmei	—	569,610 (L) *(Note 2)*	89,930 (L) *(Note 3)*	659,540 (L)	65.95%
Mr. Yu Yifa	2,500 (L)	—	—	2,500 (L)	0.25%

Notes:

(1) The letter "L" denotes the person's long position in such securities.

(2) These Shares are held by Long Capital International Limited which is beneficially and wholly-owned by Ms. Xin Yingmei.

(3) These Shares are held by Telewise Group Limited which is beneficially and wholly-owned by Mr. Wang Xiaogang, the spouse of Ms. Xin Yingmei.

	Number of ordinary shares held as at 6 August 2013 *(Note 1)*				Approximate % of issued share capital of the Company as at 6 August 2013 *(Note 4)*
Name of Director	Personal interests	Corporate interests	Interest of spouse	Total	
Ms. Xin Yingmei	—	427,207,500 (L)	67,447,500 (L)	494,655,000 (L)	49.47%
	—	45,000,000 (S) *(Note 2)*	— *(Note 3)*	45,000,000 (S)	4.50%
Mr. Yu Yifa	1,875,000 (L)	—	—	1,875,000 (L)	0.19%

Notes:

(1) The letter "L" and "S" denotes the person's long position and short position in such securities respectively.

(2) These Shares are held by Long Capital International Limited which is beneficially and wholly-owned by Ms. Xin Yingmei.

(3) These Shares are held by Telewise Group Limited which is beneficially and wholly-owned by Mr. Wang Xiaogang, the spouse of Ms. Xin Yingmei.

(4) The percentages are calculated based on the total issued share capital of the Company of 1,000,000,000, being the total number of issued share capital of the Company after the global offering and taking no account of the further Shares of 32,358,000 issued and allotted by the Company pursuant to the exercise of the over-allotment option.

Save as disclosed above, as at 30 June 2013 and as at 6 August 2013, none of the Directors, chief executives of the Company and their respective associates had any personal, family, corporate or other interests or short positions in the Shares, underlying shares or debentures of the Company or any or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was deemed or taken to have under such provisions of the SFO) or which were required to be entered into the register kept by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 30 June 2013 and 6 August 2013, being the date of this report, the persons other than a Director or chief executive of the Company who had an interest or short position in 5% or more of the issued share capital of the Company as recorded in the register required to be kept under section 336 of SFO were as follows:

		As at 30 June 2013		As at 6 August 2013	
Name of shareholder	Capacity	Number of ordinary Shares of HK$0.01 each held *(Note 1)*	Approximate % of issued share capital of the Company as at 30 June 2013	Number of ordinary Shares of HK$0.01 each held *(Note 1)*	Approximate % of issued share capital of the Company as at 6 August 2013 *(Note 6)*
Long Capital International Limited	Beneficial owner	569,610 (L) — *(Note 2)*	56.96% —	427,207,500 (L) 45,000,000 (S) *(Note 2)*	42.72% 4.50%
Telewise Group Limited	Beneficial owner	89,930 (L) *(Note 3)*	8.99%	67,447,500 (L) *(Note 3)*	6.74%
Wang Xiaogang	Interest of a controlled corporation	89,930 (L) *(Note 3)*	8.99%	67,447,500 (L) *(Note 3)*	6.74%
Alibaba.com Investment Holding Limited	Beneficial owner	250,000 (L) *(Note 4)*	25%	137,500,000 (L) *(Note 4)*	13.75%
Alibaba.com Limited	Interest of a controlled corporation	250,000 (L) *(Note 4)*	25%	137,500,000 (L) *(Note 4)*	13.75%
Alibaba Group Holding Limited	Interest of a controlled corporation	250,000 (L) *(Note 4)*	25%	137,500,000 (L) *(Note 4)*	13.75%
SoftBank Corp.	Interest of a controlled corporation	250,000 (L) *(Note 5)*	25%	137,500,000 (L) *(Note 5)*	13.75%
FIL Limited	Investment manager	—	—	100,000,000 (L)	10%

Notes:

(1) The letter “L” and “S” denotes the person’s long position and short position in such securities respectively.

(2) Long Capital International Limited is beneficially and wholly-owned by Ms. Xin Yingmei.

(3) Telewise Group Limited which is beneficially and wholly-owned by Mr. Wang Xiaogang, the spouse of Ms. Xin Yingmei. Mr. Wang Xiaogang is deemed to be interested in the Shares held by Ms. Xin Yingmei.

(4) Alibaba.com Investment Holding Limited is wholly owned by Alibaba.com Limited which is a subsidiary of Alibaba Group Holding Limited.

(5) SoftBank Corp. is a company listed on First Section of the Tokyo Stock Exchange and owns more than one-third of the shares in Alibaba Group Holding Limited directly or indirectly.

(6) The percentages are calculated based on the total issued share capital of the Company of 1,000,000,000, being the total number of issued share capital of the Company after the global offering and taking no account of the further Shares of 32,358,000 issued and allotted by the Company pursuant to the exercise of the over-allotment option.

Save as disclosed above, the Company has not been notified by any person who had interests or short position in the Shares or underlying Shares as at 30 June 2013 and 6 August 2013 which were required to be notified to the Company pursuant to part XV of the Securities and Futures Ordinance or which are recorded in the register required to be kept by the Company under the section 336 of the Securities and Futures Ordinance.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There was no material acquisition and disposal of subsidiaries and associated companies during the six months ended 30 June 2013.

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the “Share Option Scheme”) on 11 June 2013. As at the date of this interim report, the total number of Shares available for issue under the Share Option Scheme was 100,000,000 Shares, which represented 10% of the Shares in issue immediately after the completion of the global offering.

The following is a summary of the principal terms of the Share Option Scheme:

1. Purpose of the Share Option Scheme:

   The Share Option Scheme is established to recognize and acknowledge the contributions the Eligible Participants (as defined in paragraph 2 below) had or may have made to the Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

   (i) motivate the Eligible Participants to optimize their performance efficiency for the benefit of the Group; and

   (ii) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

2. Participants of the Share Option Scheme:

   The Board may, at its discretion, offer to grant an option to the following persons (collectively the "Eligible Participants") to subscribe for such number of new Shares as the Board may determine:

   (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;

   (ii) any directors (including independent non-executive directors) of the Company or any of its subsidiaries; and

   (iii) any advisors, consultants, suppliers, customers, agents and such other persons who in the sole opinion of the Board will contribute or have contributed to the Company or any of its subsidiaries.

3. Total number of Shares available for issue under the Share Option Scheme and percentage of issued share capital as at 6 August 2013:

   As at 6 August 2013, no share option has been granted under the Share Option Scheme.

   The maximum number of Shares which maybe issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme shall not in aggregate exceed 100,000,000 Shares.

4. Maximum entitlement of each participant under the Share Option Scheme:

   The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

   (i) the issue of a circular by the Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and

   (ii) the approval of the shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his/her associates (as defined in the Listing Rules) abstaining from voting.

5. The period within which the Shares must be exercised under the Share Option Scheme:

   An option may be exercised at any time during a period to be determined and notified by the Directors to each grantee, but shall not be more than 10 years from the date of grant of options subject to the provisions for early termination set out in the Share Option Scheme.

6. The minimum period for which an option must be held before it can be exercised:

   There is no minimum period for which an option granted must be held before it can be exercised except otherwise imposed by the Directors.

7. The basis of determining the exercise price:

   Determined by the Board but shall not be less than the highest of (i) the closing price of the ordinary Shares as stated in the the Stock Exchange daily quotation sheets on the date of grant of options, which must be a trading day; (ii) the average closing price of the ordinary Shares as stated in the the Stock Exchange daily quotation sheets for the five business days immediately preceding the date of grant of options; and (iii) the nominal value of an ordinary Share.

8. The remaining life of the Share Option Scheme:

   It will remain in force for a period of 10 years. Since the adoption of the Share Option Scheme, no options had been granted under the Share Option Scheme.

During the six months ended 30 June 2013, no option was granted, exercised, cancelled or lapsed under the Share Option Scheme.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE

Given that the Shares have only been listed on the Main Board of the Stock Exchange (the "Listing") since 9 July 2013, the code provisions of the Corporate Governance Code (the "CG Code") as set forth in Appendix 14 to the Listing Rules was not applicable to the Company during the six months ended 30 June 2013. However, since the date of Listing on 9 July 2013, the Company has adopted the CG Code as its corporate governance code of practices. In the opinion of the Board, save as the deviations disclosed below, the Company has complied with the code provisions as set out in the CG Code from the date of Listing up to the date of this report.

Code Provision A.2.1

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Ms. Xin Yingmei is the chairlady of the Board and chief executive officer of the Company. During the period from the date of Listing up to the date of this report, the Company has not separated the roles of chairman and chief executive officer of the Company and Ms. Xin Yingmei was the chairlady and also the chief executive officer of the Company responsible for overseeing the operations of the Group during such period. The Board believes that vesting the two roles in the same person provides the Company with strong and consistent leadership and facilitates the implementation and execution of the Group's current business strategies and in the foreseeable future. The Group will nevertheless review the structure from time to time in light of the prevailing circumstances.

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") on 11 June 2013 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules. The audit committee consists of three independent non-executive Directors, Mr. Kwauk Teh Ming, Walter, Mr. Kang Choon Kiat and Mr. Zong Ping, with Mr. Kwauk Teh Ming, Walter serving as chairman of the audit committee. The primary duties of the audit committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process to develop and renew its policies and practices on corporate governance and to perform other duties and responsibilities as assigned by the Board. The Audit Committee has reviewed the report prepared by the Group's internal audit department on its internal control policies and procedures, including the internal control procedures of the foreign exchange and other investment transactions for the period ended 30 June 2013.

REMUNERATION COMMITTEE

The Company has established a remuneration committee on 11 June 2013 with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph B1 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules. The remuneration committee consists of one executive Director, being Mr. Yu and two independent non-executive Directors, being Mr. Kwauk Teh Ming, Walter and Mr. Kang Choon Kiat, with Mr. Kang Choon Kiat serving as chairman of the remuneration committee. The primary duties of the remuneration committee include (but without limitation): (i) making recommendations to the Directors regarding the Group's policy and structure for all remuneration of Directors and senior management members and on the establishment of a formal and transparent procedure for developing remuneration policies concern; (ii) determining the terms of the remuneration packages of its Directors and senior management; (iii) reviewing and approving management's remuneration proposals with reference to corporate goals and objectives; and (iv) considering and approving the grant of share options to eligible participants pursuant to the Share Option Scheme.

NOMINATION COMMITTEE

The Company has established a nomination committee on 11 June 2013 with written terms of reference in compliance with paragraph A5 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules. The nomination committee consists of one executive Director, being Ms. Xin Yingmei, and two independent non-executive Directors, being Mr. Kwauk Teh Ming, Walter and Mr. Zong Ping, with Ms. Xin Yingmei serving as chairlady of the nomination committee. The primary function of the nomination committee is to make recommendations to the Board on the appointment of members of the Board.

INVESTMENT MANAGEMENT COMMITTEE

The Company has established an investment management committee on 31 October 2012. The investment management committee consists of three independent non-executive Directors, namely, Mr. Kang Choon Kiat, Mr. Kwauk Teh Ming, Walter and Mr. Zong Ping, with Mr. Kang Choon Kiat serving as the chairman of the investment management committee. The primary function of the investment management committee is to enhance the effectiveness of the Group's internal control and risk management procedures and to identify and manage the risks which the Group may be exposed to in handling foreign exchange and other investment transactions.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set forth in Appendix 10 to the Listing Rules as the code for securities transactions by the Directors. The Group has made specific enquiry with the Directors and all Directors have confirmed that they complied with the Model Code throughout the period from the date of Listing on 9 July 2013 up to the date of this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2013 and during the period from the date of Listing up to the date of this report, neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities, save for the capitalisation issue which took place immediately before the Listing on 9 July 2013 and the issue and allotment of an additional 32,258,000 over-allotment Shares, for the purpose of covering the over-allocation in the international placing on 2 August 2013.

REVIEW OF THE INTERIM RESULTS

The unaudited condensed consolidated financial report of the Group for the six months ended 30 June 2013 have been reviewed by the auditor of the Company, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 – "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The unaudited condensed consolidated financial report of the Group for the six months ended 30 June 2013 has also been reviewed by the audit committee of the Company (the "Audit Committee").

By order of the Board
Sinosoft Technology Group Limited
Xin Yingmei
Chairlady

Hong Kong, 6 August 2013

Deloitte.
德勤

TO THE BOARD OF DIRECTORS OF SINOSOFT TECHNOLOGY GROUP LIMITED

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Sinosoft Technology Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 16 to 29, which comprise the condensed consolidated statement of financial position as of 30 June 2013 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provision thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Without qualifying our review conclusion, we draw attention to the fact that the comparative condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period ended 30 June 2012 and the relevant explanatory notes disclosed in these condensed consolidated financial statements have not been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
6 August 2013

	NOTES	Six months ended 30.6.2013 RMB'000 (unaudited)	30.6.2012 RMB'000 (unaudited)
Revenue	3	**104,015**	70,515
Value-added tax refund		**6,520**	4,955
Cost of sales		**(34,213)**	(34,694)
Research and development costs		**(16,587)**	(7,346)
Other income and gains		**1,740**	543
Distribution and selling expenses		**(6,729)**	(6,037)
Administrative and general expenses		**(11,459)**	(9,753)
Other expenses and losses	5	**(10,342)**	(2,730)
Finance costs on bank loans wholly repayable within five years		**(1,455)**	(1,332)
Profit before tax	6	**31,490**	14,121
Income tax expense	7	**(1,275)**	(3,925)
Profit and total comprehensive income for the period		**30,215**	10,196
		RMB cents	RMB cents
Earnings per share			
– Basic	8	**4.03**	1.36

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2013

	NOTES	30.6.2013 RMB'000 (unaudited)	31.12.2012 RMB'000 (audited)
Non-current assets			
Property, plant and equipment		6,727	7,470
Intangible assets	10	97,498	87,370
Available-for-sale financial assets		2,000	2,000
Deferred tax assets	11	1,226	952
		107,451	97,792
Current assets			
Inventories		1,705	705
Trade and other receivables	12	216,031	200,784
Pledged bank deposits		62,741	63,306
Bank balances and cash		32,551	52,944
		313,028	317,739
Current liabilities			
Trade payables	13	24,772	25,749
Other payables		50,708	42,353
Tax liabilities		2,938	17,701
Short-term bank loans		80,698	82,312
		159,116	168,115
Net current assets		153,912	149,624
Total assets less current liabilities		261,363	247,416
Non-current liability			
Deferred tax liabilities	11	18,193	14,021
		243,170	233,395
Capital and reserves			
Share capital	14	8	8
Reserves		243,162	233,387
Total equity attributable to owners of the Company		243,170	233,395

	Equity attributable to owners of the Company				
	Share capital RMB'000	PRC statutory reserve RMB'000	Capital reserve RMB'000	Accumulated Profits RMB'000	Total RMB'000
At 1 January 2012 (audited)	8	26,568	2,627	127,966	157,169
Profit and total comprehensive income for the period	—	—	—	10,196	10,196
At 30 June 2012 (unaudited)	8	26,568	2,627	138,162	167,365
At 1 January 2013 (audited)	8	47,407	2,627	183,353	233,395
Profit and total comprehensive income for the period	—	—	—	30,215	30,215
Dividend paid (Note 9)	—	—	—	(20,440)	(20,440)
At 30 June 2013 (unaudited)	8	47,407	2,627	193,128	243,170

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2013

	Six months ended	
	30.6.2013	30.6.2012
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net cash from operating activities	**30,821**	6,968
Investing activities:		
Purchase of property, plant and equipment	**(704)**	(545)
Payment for the cost incurred capitalised as intangible assets	**(30,035)**	(18,612)
Placement of pledged bank deposits	**(20,350)**	(32,333)
Proceeds from release of pledged bank deposits	**20,915**	21,370
Net cash used in investing activities	**(30,174)**	(30,120)
Financing activities:		
Dividends paid	**(20,440)**	—
Repayment of short-term bank loans	**(31,931)**	(22,000)
New bank loans raised	**31,331**	25,162
Net cash (used in) from financing activities	**(21,040)**	3,162
Net decrease in cash and cash equivalents	**(20,393)**	(19,990)
Cash and cash equivalents at beginning of the period	**52,944**	47,866
Cash and cash equivalents at 30 June, represented by bank balances and cash	**32,551**	27,876

1. GENERAL AND BASIS OF PREPARATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, on 6 January 2011. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company is an investment holding company. The principal activities of its subsidiaries are software development, system integration and provision of other related services.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

Except as described below, the accounting policies and method of computation used in the condensed consolidated financial statements for the six months ended 30 June 2013 are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2012 underlying the accountants' report included in the prospectus of the Company dated 27 June 2013.

In the current interim period, the Group has applied, for the first time, certain new or amendments to International Financial Reporting Standards ("IFRSs") issued by International Accounting Standards Board ("IASB"):

- amendments to IFRSs: Annual Improvements to IFRSs 2009-2011 Cycle
- amendments to IFRS 1: Government Loans
- amendments to IFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities
- amendments to IFRS 10, IFRS 11 and IFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
- IFRS 10: Consolidated Financial Statements
- IFRS 11: Joint Arrangements
- IFRS 12: Disclosure of Interests in Other Entities
- IFRS 13: Fair Value Measurement
- Amendments to IAS 1: Presentation of Items of Other Comprehensive Income

2. PRINCIPAL ACCOUNTING POLICIES – *continued*

- IAS 19 (Revised 2011): Employee Benefits
- IAS 27 (Revised 2011): Separate Financial Statements
- IAS 28 (Revised 2011): Investments in Associates and Joint Ventures
- IFRIC 20: Stripping Costs in the Production Phase of a Surface Mine

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

3. REVENUE AND SEGMENT INFORMATION

The Group has consistently applied IFRS 8 Operating Segments throughout the period under review. IFRS 8 is a disclosure standard that requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the executive directors of the Company, the chief operating decision maker (the "CODM") in order to allocate resources to segments and to assess their performance.

The Group is organised into different business units by products, based on which information is prepared and reported to the Group's CODM for the purposes of resource allocation and assessment of performance.

For management purposes, the Group is organised into five core product lines, namely export tax software and related services, e-Government solutions, carbon management solutions, information integration software and system integration solutions. These products form the basis on which the Group reports its segment information.

3. REVENUE AND SEGMENT INFORMATION – *continued*

The following is an analysis of the Group's revenue and results by operating segments for the period under review:

	Six months ended	
	30.6.2013	30.6.2012
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Segment revenue		
Export tax software and related services	**29,131**	16,508
e-Government solutions	**37,384**	26,162
Carbon management solutions	**7,843**	—
Information integration software	**5,450**	5,130
System integration solutions	**24,207**	22,715
Total revenue	**104,015**	70,515
Segment results		
Export tax software and related services	**28,675**	13,260
e-Government solutions	**20,277**	18,800
Carbon management solutions	**7,180**	(1,430)
Information integration software	**2,355**	1,686
System integration solutions	**1,248**	1,114
Total segment results	**59,735**	33,430
Other income and gains	**1,740**	543
Other expenses and loss	**(10,342)**	(2,730)
Finance costs	**(1,455)**	(1,332)
Distribution and selling expenses	**(6,729)**	(6,037)
Administrative and general expenses	**(11,459)**	(9,753)
Profit before tax	**31,490**	14,121
Income tax expense	**(1,275)**	(3,925)
Profit for the period	**30,215**	10,196

The CODM does not review assets and liabilities by operating segment for the purpose of resource allocation and performance assessment.

4. RESULTS FOR THE PERIOD

Whilst the sales of export tax software and related services are generally stable throughout the year, the sales of e-Government solutions, carbon management solutions, information integration software and system integration solutions are seasonal, with sales generally being lower in the first half of the year than in the second half. There are a number of factors that cause these variations, but the primary factor is that the major customers of the Group, i.e. PRC government agencies, tend to conclude contracts in the second half of the year in accordance with their financial budgets approval procedures.

5. OTHER EXPENSES AND LOSSES

	Six months ended	
	30.6.2013	30.6.2012
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Listing expenses	**10,291**	1,090
Donation	**30**	—
Impairment loss recognised on trade receivables, net	**—**	1,281
Others	**21**	359
	10,342	2,730

6. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging the following items:

	Six months ended	
	30.6.2013 RMB'000 (unaudited)	30.6.2012 RMB'000 (unaudited)
Depreciation of property, plant and equipment	1,447	1,440
Amortisation of intangible assets:		
amortisation of capitalised software costs (included in cost of sales)	9,612	10,928
amortisation of other software (included in research and development costs)	10,295	5,194
Total depreciation and amortisation	21,354	17,562
Net foreign exchange gain (included in other income and gains)	1,173	12
Research and development costs recognised as an expense	16,587	9,846
Less: government grants	—	(2,500)
	16,587	7,346
Cost of inventories recognised as an expense	24,601	23,766

7. INCOME TAX EXPENSE

	Six months ended	
	30.6.2013 RMB'000 (unaudited)	30.6.2012 RMB'000 (unaudited)
Current tax:		
PRC enterprise income tax ("EIT")	3,518	2,909
Over provision of EIT in prior years (note)	(7,795)	—
Withholding tax on undistributed profits	1,654	—
Deferred tax charge:		
Current period	3,898	1,016
	1,275	3,925

Note: On 17 February 2013, Nanjing Skytech Co., Limited ("Nanjing Skytech"), a subsidiary of the Company was re-enlisted as a "Key Software Enterprise under the National Plan" (國家規劃佈局重點軟件企業) for the two years ended 31 December 2012 and entitled a reduced tax rate of 10% for the period. The over provided EIT in respect of 2012 and 2011 was reversed accordingly in 2013.

8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the unaudited profit for the six months ended 30 June 2013 of RMB30,215,000 (six months ended 30 June 2012: RMB10,196,000) and 750,000,000 shares. The number of shares comprise 1,000,000 shares in issue at 30 June 2013 and 749,000,000 shares issued pursuant to the Capitalisation Issue (as detailed in note 14) which took place immediately before the Company's listing of its shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 9 July 2013 as if the shares were outstanding throughout the entire six months ended 30 June 2013 and 2012.

The Group had no potential outstanding ordinary shares throughout the six-month period ended 30 June 2012 and 30 June 2013.

9. DIVIDENDS

During the current interim period, a dividend amounting to USD 3,261,380, equivalent to approximately RMB20,440,000 was declared by the Company at the directors' meeting dated 23 January 2013.

10. INTANGIBLE ASSETS

During the current period, the Group incurred the additions of cost at approximately RMB30,035,000 (six months ended 30 June 2012: RMB18,612,000) which represented the capitalised software costs generated internally amounting to RMB26,247,000 (six months ended 30 June 2012: RMB10,144,000) and other purchased software amounting to RMB3,788,000 (six months ended 30 June 2012: RMB8,468,000) for the new software product development.

11. DEFERRED TAXATION

The following are the deferred tax assets and liabilities recognised by the Group and movements thereon during the current and prior periods:

	Allowance for doubtful receivables RMB'000	Withholding tax on undistributed profits RMB'000	Capitalised software costs RMB'000	Total RMB'000
At 1 January 2012 (audited)	696	(3,400)	(5,015)	(7,719)
Credit (charge) to profit or loss	185	(1,100)	(101)	(1,016)
At 30 June 2012 (unaudited)	881	(4,500)	(5,116)	(8,735)
At 1 January 2013 (audited)	**952**	**(6,700)**	**(7,321)**	**(13,069)**
Reversal upon payment of withholding tax	—	**1,654**	—	**1,654**
Charge to profit or loss	—	**(1,400)**	**(4,426)**	**(5,826)**
Effect of change in tax rate	**274**	—	—	**274**
At 30 June 2013 (unaudited)	**1,226**	**(6,446)**	**(11,747)**	**(16,967)**

The following is the analysis of the deferred tax balances for financial reporting purposes:

	30.6.2013 RMB'000 (unaudited)	31.12.2012 RMB'000 (audited)
Deferred tax assets	**1,226**	952
Deferred tax liabilities	**(18,193)**	(14,021)

Under the EIT Law of PRC, dividends paid to non-resident overseas shareholders declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards is subject to a PRC withholding tax rate of up to 10%. For investors incorporated in Singapore, a preferential rate of 5% will be applied where appropriate. As at 30 June 2013 and 31 December 2012, the Group has fully provided the deferred tax liabilities of withholding tax on the undistributed earnings of the PRC subsidiaries.

12. TRADE AND OTHER RECEIVABLES

	30.6.2013 RMB'000 (unaudited)	31.12.2012 RMB'000 (audited)
Trade receivables	204,464	200,249
Less: Allowance for doubtful debts	(5,634)	(5,634)
	198,830	194,615
Prepayments to suppliers	11,190	1,534
Deposits	1,826	2,234
Value added tax recoverable	2,420	1,391
Advances to employees	1,038	729
Others	727	281
Total trade and other receivables	216,031	200,784

The Group allows an average credit period of 180 days for collection of the trade receivables. The following is an aged analysis of trade receivables, presented based on the date of delivery of goods or rendering of services to customers which approximated the respective dates on which revenue was recognised.

	30.6.2013 RMB'000 (unaudited)	31.12.2012 RMB'000 (audited)
0 to 60 days	50,137	121,058
61 to 90 days	27,586	20,466
91 to 180 days	1,177	3,871
181 days to 1 year	94,328	6,839
1 to 2 years	24,482	41,068
Over 2 years	1,120	1,313
	198,830	194,615

13. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	30.6.2013 RMB'000 (unaudited)	31.12.2012 RMB'000 (audited)
0 to 90 days	21,822	18,376
91 to 180 days	300	1,181
181 to 1 year	1,355	718
Over 2 year	1,295	5,474
	24,772	25,749

14. SHARE CAPITAL

The Company was incorporated in the Cayman Islands on 6 January 2011 with authorised 3,800,000 ordinary shares of HK$0.1 each and issued and paid-up 100,000 shares amounting to HK$10,000 (equivalent to RMB8,000).

Pursuant to the written resolutions passed on 11 June 2013, i) the Company subdivided each existing issued and unissued shares of HK$0.10 each in the share capital of the Company into 10 new ordinary shares of HK$0.01 each, ii) the authorised share capital of the Company was increased from HK$380,000 to HK$80,000,000 by the creation of an additional 7,962,000,000 shares of HK$0.01 each, iii) conditional on the share premium account of the Company being credited as a result of the issue of the offering shares by the Company, a sum of HK$7,490,000 standing to the credit of the shares premium account of the Company will be capitalised and applied in paying up in full at par 749,000,000 shares of HK$0.01 each immediately before the listing on the Stock Exchange (the "Capitalisation Issue").

15. RELATED PARTY TRANSACTIONS

During the period, the Group had the following significant transactions with related parties:

a) Transactions

	Six months ended 30.6.2013 RMB'000 (unaudited)	Six months ended 30.6.2012 RMB'000 (unaudited)
Rental expenses paid to:		
Nanjing Jingtian Technology Co., Ltd. *	4,684	4,684

15. RELATED PARTY TRANSACTIONS – *continued*

b) Balance

	30.6.2013 RMB'000 (unaudited)	31.12.2012 RMB'000 (audited)
Other receivables:		
Nanjing Jingtian Technology Co., Ltd. *	1,562	625
Other payables:		
Nanjing Jingtian Technology Co., Ltd. *	—	1,561

* Nanjing Jingtian Technology Co., Ltd. is a subsidiary of Team United Investment Limited, which is a non-controlling shareholder of the Company.

c) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the period were as follows:

	Six months ended	
	30.6.2013 RMB'000 (unaudited)	30.6.2012 RMB'000 (unaudited)
Short-term benefits	1,231	863
Retirement benefits scheme contributions	74	62
	1,305	925

16. EVENTS AFTER THE END OF THE INTERIM PERIOD

On 9 July 2013, the Company was listed on the Stock Exchange following the completion of its global offering of 300,000,000 shares of HK$0.01each, comprising 250,000,000 new shares and 50,000,000 sale shares subject to the over-allotment option.

The issued and fully paid up capital of the Company was then increased to HK$10,000,000 divided into 1,000,000,000 shares of HK$0.01 each.