



OPES ASIA DEVELOPMENT LIMITED

華保亞洲發展有限公司*

(Continued into Bermuda with limited liability)
(Stock Code: 810)

Interim Report
2014

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman and Non-executive Director

Dr. Lam Man Chan

Executive Director

Mr. Lee Kwok Leung

Independent Non-executive Directors

Dr. Ng Chi Yeung Simon

Mr. Tam Yuk Sang Sammy

Ms. Florence Ng

CHIEF EXECUTIVE OFFICER

Dr. Yeung Cheuk Kwong

AUDIT COMMITTEE

Mr. Tam Yuk Sang Sammy (*Chairman*)

Dr. Ng Chi Yeung Simon

Ms. Florence Ng

REMUNERATION COMMITTEE

Mr. Tam Yuk Sang Sammy (*Chairman*)

Dr. Ng Chi Yeung Simon

Ms. Florence Ng

NOMINATION COMMITTEE

Dr. Ng Chi Yeung Simon (*Chairman*)

Mr. Lee Kwok Leung

Mr. Tam Yuk Sang Sammy

Ms. Florence Ng

JOINT COMPANY SECRETARIES

Mr. Leung Yiu Wah

Ms. Cheng Suk Fun

AUDITORS

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

INVESTMENT MANAGER

China International Capital Limited

PRINCIPAL BANKER

Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking

Corporation Limited

DBS Bank (Hong Kong) Limited

CUSTODIAN

Standard Chartered Bank (Hong Kong) Limited

SOLICITORS

As to Hong Kong Law

Sidley Austin

As to Bermuda Law

Appleby

REGISTERED OFFICE

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 32, 8/F, Block B,
Focal Industrial Centre,
21 Man Lok Street,
Hungghom, Kowloon,
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT IN BERMUDA

Appleby Management (Bermuda) Ltd.

Canon's Court, 22 Victoria Street

Hamilton HM12, Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Tengis Limited

Level 22, Hopewell Centre

183 Queen's Road East

Hong Kong

WEBSITE

<http://www.irasia.com/listco/hk/opesasia>

STOCK CODE

810

The Board of Directors (the "Board") of Opes Asia Development Limited (the "Company") announced the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2014, with comparative figures for the corresponding period in 2013. These condensed consolidated interim financial statements have not been audited, but have been reviewed by HLB Hodgson Impey Cheng Limited, the Group's external auditors, and the Audit Committee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2014

		Six months ended 30 June		
		2014 HK\$ (Unaudited)	2013 HK\$ (Unaudited)	
Notes				
	Turnover	4	12,225,163	26,793,446
	Cost of equity securities disposed of		(12,334,500)	(24,005,285)
	Net unrealised fair value change on financial assets at fair value through profit or loss		9,757,800	274,755
	Change in fair value of derivative component in convertible bond receivable		–	(161,070)
	Interest income on convertible bond		3,264,207	3,363,657
	Impairment loss on available-for-sale financial assets		–	(6,000,000)
	Impairment loss on other receivables		(5,372,000)	–
	Loss on disposal of assets classified as held for sale	16	(7,200,000)	–
	Dividend income		1,200	67,000
	Gross profit		341,870	332,503
	Gain on disposal of subsidiaries	19	164,434	–
	Other income	4	2,641,903	1,182
	Administrative expenses		(14,745,134)	(11,465,246)
	Other operating expenses		(2,961,786)	(3,285,002)
	Written off of property, plant and equipment		(1,066,944)	–
	Finance costs	5	–	(1,780)
	Loss before income tax		(15,625,657)	(14,418,343)
	Income tax expenses	7	(3,586)	(10,953)
	Loss for the period	6	(15,629,243)	(14,429,296)
	Loss for the period attributable to owners of the Company		(15,629,243)	(14,429,296)
	Loss per share attributable to owners of the Company (HK cents)			
	Basic and diluted	9	(3.53)	(4.82)

The accompanying notes form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2014

	Six months ended 30 June	
	2014 HK\$ (Unaudited)	2013 HK\$ (Unaudited)
Loss for the period	(15,629,243)	(14,429,296)
Other comprehensive income for the period, net of income tax:		
Items that may be reclassified subsequently to profit or loss:		
Change in fair values of available-for-sale financial assets	(1,136,872)	24,214
Reclassification of available-for-sale financial assets upon impairment	–	2,800,000
Reclassification of available-for-sale fair value reserve upon disposal of assets classified as held for sale (<i>Note 16</i>)	7,200,000	–
Exchange differences arising from translation of foreign operations	67,171	(7,152)
Other comprehensive income for the period, net of income tax	6,130,299	2,817,062
Total comprehensive loss for the period	(9,498,944)	(11,612,234)
Total comprehensive loss for the period attributable to owners of the Company	(9,498,944)	(11,612,234)

The accompanying notes form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

		As at 30 June 2014 HK\$ (Unaudited)	As at 31 December 2013 HK\$ (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	10	2,185,381	2,861,097
Intangible asset	11	120,000	120,000
Available-for-sale financial assets	12	8,819,511	9,956,383
		11,124,892	12,937,480
Current assets			
Convertible bond receivable	13	–	23,748,965
Derivative component in convertible bond receivable	13	–	395,241
Financial assets at fair value through profit or loss	14	42,312,504	19,453,633
Deposits for acquisition of investments		–	510,204
Other receivables, prepayments and deposits	15	33,715,132	7,900,609
Cash and cash equivalents		32,261,150	10,103,290
		108,288,786	62,111,942
Assets classified as held for sale	16	–	2,800,000
		108,288,786	64,911,942
Total assets		119,413,678	77,849,422

		As at 30 June 2014 HK\$ (Unaudited)	As at 31 December 2013 HK\$ (Audited)
EQUITY			
Equity attributable to owners of the Company			
Share capital	17	5,266,545	3,591,600
Reserves		111,814,472	72,391,746
Total equity		117,081,017	75,983,346
LIABILITY			
Current liability			
Accrued expenses		2,332,661	1,866,076
Total liability		2,332,661	1,866,076
Total equity and liabilities		119,413,678	77,849,422
Net current assets		105,956,125	63,045,866
Total assets less current liabilities		117,081,017	75,983,346
Net asset value per share	18	0.2223	0.2116

The accompanying notes form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2014

	Attributable to the owners of the Company							Total HK\$
	Share capital HK\$	Share premium HK\$	Contributed surplus HK\$	Share-based payments reserve HK\$	Available-for-sale fair value reserve HK\$	Translation reserve HK\$	Accumulated losses HK\$	
At 31 December 2012 (Audited) and 1 January 2013	2,993,000	16,340,687	124,403,873	5,576,350	(5,005,718)	4,914	(57,392,027)	86,921,079
Loss for the period	-	-	-	-	-	-	(14,429,296)	(14,429,296)
Change in fair value of available-for-sale financial assets	-	-	-	-	24,214	-	-	24,214
Reclassification of available-for-sale financial assets upon impairment	-	-	-	-	2,800,000	-	-	2,800,000
Exchange differences arising from translation of foreign operations	-	-	-	-	-	(7,152)	-	(7,152)
Total comprehensive income/(loss) for the period	-	-	-	-	2,824,214	(7,152)	(14,429,296)	(11,612,234)
At 30 June 2013 (Unaudited)	2,993,000	16,340,687	124,403,873	5,576,350	(2,181,504)	(2,238)	(71,821,323)	75,308,845
At 31 December 2013 (Audited) and 1 January 2014	3,591,600	27,414,787	124,403,873	4,061,799	(7,663,617)	(55,886)	(75,769,210)	75,983,346
Loss for the period	-	-	-	-	-	-	(15,629,243)	(15,629,243)
Change in fair value of available-for-sale financial assets	-	-	-	-	(1,136,872)	-	-	(1,136,872)
Reclassification of available-for-sale fair value reserve upon disposal of assets classified as held for sale	-	-	-	-	7,200,000	-	-	7,200,000
Exchange differences arising from translation of foreign operations	-	-	-	-	-	67,171	-	67,171
Total comprehensive income/(loss) for the period	-	-	-	-	6,063,128	67,171	(15,629,243)	(9,498,944)
Release of reserves on disposal of subsidiaries	-	-	-	-	-	55,886	-	55,886
Proceeds from placing of new shares	1,582,220	45,689,960	-	-	-	-	-	47,272,180
Issuing expenses of placing new shares	-	(1,291,166)	-	-	-	-	-	(1,291,166)
Share options granted during the period	-	-	-	2,241,588	-	-	-	2,241,588
Share options exercised during the period	92,725	3,202,752	-	(977,350)	-	-	-	2,318,127
Share options lapsed during the period	-	-	-	(1,897,053)	-	-	1,897,053	-
At 30 June 2014 (Unaudited)	5,266,545	75,016,333	124,403,873	3,428,984	(1,600,489)	67,171	(89,501,400)	117,081,017

The accompanying notes form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2014

	Six months ended 30 June	
	2014 HK\$ (Unaudited)	2013 HK\$ (Unaudited)
Net cash used in operating activities	(23,655,942)	(1,353,761)
Net cash used in investing activities	(2,541,342)	(2,875,518)
Net cash generated from financing activities	48,299,141	–
Net increase/(decrease) in cash and cash equivalents	22,101,857	(4,229,279)
Cash and cash equivalents at the beginning of the period	10,103,290	12,637,602
Effect of foreign exchange rate changes on balance of cash held in foreign currencies	56,003	(7,152)
Cash and cash equivalents at the end of the period	32,261,150	8,401,171
Analysis of balances of cash and cash equivalents		
Cash and bank balances	32,261,150	8,401,171

The accompanying notes form an integral part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2014

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements for the six months ended 30 June 2014 have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). They have been prepared under the historical cost convention, except for certain financial instruments, which are carried at fair values. The condensed consolidated interim financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest dollar except when otherwise indicated. The condensed consolidated interim financial statements are unaudited, but have been reviewed by HLB Hodgson Impey Cheng Limited, the Group’s external auditors, and the Audit Committee.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these condensed consolidated interim financial statements is determined on such as basis, except for share-based payment transactions that are within the scope of HKFRS 2.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in preparing the condensed consolidated interim financial statements are consistent with those adopted in the preparation of the Group's annual financial statements for the year ended 31 December 2013 except for the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the HKICPA as discussed below.

In the current interim period, the Group has applied, for the first time, the following new or revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1 January 2014.

HKAS 32 (Amendments)	Presentation – Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendments)	Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets
HKAS 39 (Amendments)	Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities
HK(IFRIC) – Int 21	Levies

The application of the above new and revised HKFRSs had no material effect on the results and financial positions of the Group for the current or prior accounting periods that have been prepared and presented. Accordingly, no prior period adjustment has been required.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Group has not early-applied the following new and revised HKFRSs that have been issued but are not yet effective.

HKFRSs (Amendments)	Annual Improvement to HKFRSs 2010-2012 Cycle ²
HKFRSs (Amendments)	Annual Improvement to HKFRSs 2011-2013 Cycle ¹
HKFRS 9	Financial Instruments ⁵
HKFRS 9 & HKFRS 7 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosure ⁵
HKFRS 9, HKFRS 7 and HKAS 39 (Amendments)	Hedge Accounting and Amendments to HKFRS 9, HKFRS 7 and HKAS 39 ⁵
HKFRS 11 (Amendments)	Accounting for Acquisition of Interests in Joint Operations ³
HKFRS 14	Regulatory Deferral Accounts ³
HKFRS 15	Revenue from Contracts with Customers ⁴
HKFRS 16 and HKAS 38 (Amendments)	Clarification of Acquisition Methods of Depreciation and Amortisation ³
HKAS 16 and HKAS 41 (Amendments)	Agriculture: Bearer Plants ³
HKAS 19 (Amendments)	Defined Benefit Plans: Employee Contribution ¹

¹ Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted

² Effective for annual periods beginning on or after 1 July 2014, with limited exception

³ Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted

⁴ Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted

⁵ No mandatory effective date yet determined but is available for adoption

The Group is in the process of assessing the potential impact of the above new and revised HKFRSs upon initial application but is not yet in a position to state whether the above new and revised HKFRSs will have a significant impact on the Group's results of operations and financial position. The Group intends to adopt the new/revised standards and amendments to existing standards when they become effective.

3. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has five (six months ended 30 June 2013: six) reportable business segments. Each business segment is managed separately and is engaged in investment in listed and unlisted companies in Hong Kong, the People's Republic of China (the "PRC"), Macau, Australia and the United States (the "US"). The following summary describes the operations in each of the Group's reportable business segments.

Listed investments

There are two (2013: three) reportable business segments under this category, namely the investments in public companies listed on the Hong Kong Stock Exchange and an investment in a public company listed on the Australian Securities Exchange Limited. The major sources of income of these two business segments are gains on disposals of listed securities and dividend income, if any.

Unlisted investments

There are three (2013: three) reportable business segments under this category, namely investments in unlisted companies in Hong Kong, the PRC and Macau. The major sources of income of these three business segments are dividend income from investments or guaranteed return provided by counterparties of the unlisted investments.

Segment results represent the gross profit/(loss) for the period in each business segment. This is the measure reported to the Group's chief operating decision maker for the purpose of resources allocation and assessment of segment performance. Segment results exclude other income such as interest income, unallocated sundry income, gain on disposal of subsidiaries, interest expenses, depreciation, unallocated expenses such as administrative and other operating expenses, written off of property, plant and equipment and income tax expenses.

Information regarding the Group's reportable segments as provided to the Group's chief operating decision maker for the purposes of allocation and assessment of segment performance for the period is set out below.

3. SEGMENT INFORMATION (Continued)

Segment revenue represents revenue generated from external customers. There were no inter-segment sales for both periods.

	Listed investments			Unlisted investments			Total HK\$
	Hong Kong HK\$	Australia HK\$	US HK\$	Hong Kong HK\$	The PRC HK\$	Macau HK\$	
For the six months ended 30 June 2014 (Unaudited)							
Turnover	12,225,163	-	-	-	-	-	12,225,163
Segment results	9,649,663	-	-	-	(7,200,000)	(2,650,821)	(201,158)
Interest income							1,903
Unallocated sundry income							2,640,000
Gain on disposal of subsidiaries							164,434
Interest expenses							-
Depreciation							(819,375)
Unallocated expenses							(16,344,517)
Written off of property, plant and equipment							(1,066,944)
Income tax expenses							(3,586)
Loss for the period							(15,629,243)

	Listed investments			Unlisted investments			Total HK\$
	Hong Kong HK\$	Australia HK\$	US HK\$	Hong Kong HK\$	The PRC HK\$	Macau HK\$	
For the six months ended 30 June 2013 (Unaudited)							
Turnover	25,480,661	-	1,312,785	-	-	-	26,793,446
Segment results	2,862,799	-	267,117	-	(6,000,000)	3,202,587	332,503
Interest income							1,182
Interest expenses							(1,780)
Depreciation							(796,112)
Unallocated expenses							(13,954,136)
Income tax expenses							(10,953)
Loss for the period							(14,429,296)

4. TURNOVER AND OTHER INCOME

The Group is engaged in investment in equity securities. Turnover and other income recognised during the period are as follows:

	Six months ended 30 June	
	2014 HK\$ (Unaudited)	2013 HK\$ (Unaudited)
Turnover:		
Sale of equity securities	12,225,163	26,793,446
Other income:		
Bank interest income	1,903	1,182
Reversal of impairment loss of the guaranteed annual return (Note)	2,640,000	–
	2,641,903	1,182

Note:

During the year ended 31 December 2012, the Group considered the guaranteed annual return of HK\$2,640,000 for 2012 due from Harvest Smart Becky Agric-Bio Technology Limited was not recoverable and recognised an impairment loss on available-for-sale financial assets of HK\$2,640,000. During six months ended 30 June 2014, the Group received full amount of guaranteed annual return, the reversal of impairment loss was recognised.

5. FINANCE COSTS

	Six months ended 30 June	
	2014 HK\$ (Unaudited)	2013 HK\$ (Unaudited)
Interest on bank overdrafts	–	(1,780)

6. LOSS FOR THE PERIOD

The Group's loss for the period is arrived after charging:

	Six months ended 30 June	
	2014 HK\$ (Unaudited)	2013 HK\$ (Unaudited)
Depreciation	819,375	796,112
Minimum lease payment under operating leases: – property rental	2,529,973	1,653,719
Exchange loss	250,595	107,827
Staff costs:		
Employee benefits expense (including directors' remuneration):		
Salaries and allowances	4,092,297	3,903,572
Mandatory provident fund contributions	113,224	72,570
Share-based payment expenses	2,241,588	–
	6,447,109	3,976,142

7. INCOME TAX EXPENSES

No Hong Kong profits tax has been provided as the Group did not have any assessable profits for the period (six months ended 30 June 2013: Nil).

The PRC enterprise income tax is calculated at 25% of the estimated assessable profit for the periods ended 30 June 2014 and 2013.

8. LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

The consolidated loss attributable to owners of the Company for the period included a loss of approximately HK\$8,495,000 (six months ended 30 June 2013: HK\$14,429,296).

9. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the period attributable to owners of the Company of HK\$15,629,243 (six months ended 30 June 2013: HK\$14,429,296) and the weighted average number of ordinary shares of 442,962,927 ordinary shares (six months ended 30 June 2013: 299,300,000 ordinary shares).

The computation of diluted loss per shares does not assume the exercise of the Company's outstanding share options since the exercise would result in a decrease in loss per share and the effects were anti-dilutive for both periods.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2014, the Group acquired items of property, plant and equipment of a sum of approximately HK\$2,247,000 (six months ended 30 June 2013: approximately HK\$848,000).

During the six months ended 30 June 2014, the Group wrote off certain property, plant and equipment in the non-profit making branches in the PRC and Taiwan, totalling approximately HK\$1,067,000 (six months ended 30 June 2013: Nil).

11. INTANGIBLE ASSET

During the six months ended 30 June 2014 and 2013, intangible asset represent a club membership of HK\$120,000, and no impairment loss has been made to the intangible asset (six months ended 30 June 2013: Nil).

12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	As at 30 June 2014 HK\$ (Unaudited)	As at 31 December 2013 HK\$ (Audited)
Unlisted securities:		
– the PRC	5,910,000	6,658,000
– Hong Kong	2,909,511	6,098,383
	8,819,511	12,756,383
Transfer to assets classified as held for sale	–	(2,800,000)
	8,819,511	9,956,383
Less: Non-current portion	(8,819,511)	(9,956,383)
Current portion	–	–

12. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)

Movements of available-for-sale financial assets during the period/year are as follows:

	Six months ended 30 June 2014 HK\$ (Unaudited)	Year ended 31 December 2013 HK\$ (Audited)
At the beginning of the period/year	9,956,383	15,414,282
Changes in fair value	(1,136,872)	(2,657,899)
Transfer to assets classified as held for sale	–	(2,800,000)
At the end of the period/year	8,819,511	9,956,383

The Group has not reclassified any available-for-sale financial assets measured at cost and fair value during the periods.

The carrying amount of available-for-sale financial assets are measured as follows:

	As at 30 June 2014 HK\$ (Unaudited)	As at 31 December 2013 HK\$ (Audited)
Available-for-sale financial assets measured at:		
– cost	–	–
– fair value	8,819,511	9,956,383
	8,819,511	9,956,383

13. CONVERTIBLE BOND RECEIVABLE/DERIVATIVE COMPONENT IN CONVERTIBLE BOND RECEIVABLE

During the year ended 31 December 2012, the Group entered into an agreement to subscribe for convertible bond (the “CB”) with principal amount of RMB20,000,000 issued from Ascent Glory Holdings Limited, a wholly owned subsidiary of Grand Success Business Limited (“GSBL”) at a consideration of RMB20,000,000 (equivalent to HK\$24,680,000). The CB carries interest of 20% per annum and matured on 13 June 2014. The initial conversion price is RMB2,400 per share (subject to adjustment). Unless previously converted or lapsed, the CB issuer would redeem the CB on 13 June 2014 at 100% of the principal amount of outstanding CB.

Because the CB matured during the six months ended 30 June 2014 and remain unsettled, the convertible bond receivable was classified as other receivable after the date of maturity (Note 15).

13. CONVERTIBLE BOND RECEIVABLE/DERIVATIVE COMPONENT IN CONVERTIBLE BOND RECEIVABLE (Continued)

The movement of the CB was as follows:

	Debt component HK\$	Derivative component HK\$
At 31 December 2013 (audited) and 1 January 2014	23,748,965	395,241
Interest credited for the period	1,034,897	–
Expired during the period	(24,680,000)	(393,646)
Exchange alignment	(103,862)	(1,595)
At 30 June 2014 (unaudited)	–	–

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2014 HK\$ (Unaudited)	As at 31 December 2013 HK\$ (Audited)
Listed equity securities, at fair value		
– Hong Kong	41,201,200	18,409,500
– Australia	1,111,304	1,044,133
	42,312,504	19,453,633
Less: Non-current portion	–	–
Current portion	42,312,504	19,453,633

Changes in fair values of financial assets at fair value through profit or loss are recorded in “net unrealised fair value change on financial assets at fair value through profit or loss” in the condensed consolidated statement of profit or loss.

The fair values of equity securities listed in Hong Kong are determined based on their current bid prices in an active market.

For equity securities listed in Australia, the fair values are determined based on fair value measurement carried out by an independent professional valuer engaged by the Group.

15. OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

During the six months ended 30 June 2014, other receivables included interest receivable on the CB of approximately RMB4,353,000 (equivalent to HK\$5,372,000) and the principal amount of the CB of RMB20,000,000 (equivalent to HK\$24,680,000) which was reclassified from convertible bond receivable since the date of maturity of the CB of which details are set out in note 13 to the condensed consolidated financial statements.

As detailed in the Company's announcement dated 18 August 2014, the Company received from the CB issuer a repayment proposal, through its related associated company, under which the CB issuer proposed to repay the principal sum by a monthly instalment of HK\$2 million for 10 months whilst all the outstanding interest incurred of approximately RMB4,353,000 (equivalent to HK\$5,372,000) has been proposed to be waived. Hence, an impairment loss on the interest receivable on the CB of approximately HK\$5,372,000 was recognised for the six months ended 30 June 2014.

16. ASSETS CLASSIFIED AS HELD FOR SALE

At 31 December 2013 (audited) and 1 January 2014
Disposal

**As at
30 June
2014
HK\$**

**2,800,000
(2,800,000)**

At 30 June 2014 (unaudited)

–

On 10 December 2013, Airstar International Limited, a wholly owned subsidiary of the Company, entered into sale and purchase agreement with an independent third party in relation to the disposal of the entire 20% equity interest in Hou Tin International Limited for a consideration of HK\$2,800,000. Accordingly, the related assets were reclassified as held for sale at 31 December 2013.

During the six months ended 30 June 2014, the above assets disposal was completed. The relevant available-for-sale fair value reserve of HK\$7,200,000 was reclassified from other comprehensive income to profit or loss upon the disposal completion.

17. SHARE CAPITAL

	Number of ordinary shares	Nominal value of ordinary shares HK\$
Authorised:		
At 1 January 2013, 31 December 2013 (audited), 1 January 2014 and 30 June 2014 (unaudited), at HK\$0.01 each	20,000,000,000	200,000,000
Issued and fully paid:		
At 1 January 2013	299,300,000	2,993,000
Placing of new shares	59,860,000	598,600
At 31 December 2013 (audited) and 1 January 2014	359,160,000	3,591,600
Exercise of share options	9,272,500	92,725
Placing of new shares (<i>Note (a)</i>)	71,832,000	718,320
Placing of new shares (<i>Note (b)</i>)	86,390,000	863,900
At 30 June 2014 (unaudited)	526,654,500	5,266,545

Notes:

- (a) On 6 January 2014, the Company entered into a placing agreement (the "First Placing Agreement 2014") with a placing agent, an independent third party. On 20 January 2014, the placing was completed. Pursuant to the First Placing Agreement 2014, the Company issued a total of 71,832,000 ordinary shares with par value of HK\$0.01 each at a price of HK\$0.165 each. The issued share capital of the Company was thus increased from HK\$3,591,600 to HK\$4,309,920. The excess of the placement proceeds over the nominal value of share capital issued was credited as share premium. The Company applied the net proceeds for the general working capital of the Company and investments.
- (b) On 9 May 2014, the Company entered into a placing agreement (the "Second Placing Agreement 2014") with a placing agent, an independent third party. On 23 May 2014, the placing was completed. Pursuant to the Second Placing Agreement 2014, the Company issued a total of 86,390,000 ordinary shares with par value of HK\$0.01 each at a price of HK\$0.41 each. The issued share capital of the Company was thus increased from HK\$4,333,806 to HK\$5,197,706. The excess of the placement proceeds over the nominal value of share capital issued was credited as share premium. The Company applied the net proceeds for the general working capital of the Company and investments.

18. NET ASSETS VALUE PER SHARE

The calculation of net assets value per share is based on the net assets of HK\$117,081,017 (31 December 2013: HK\$75,983,346) and 526,654,500 (31 December 2013: 359,160,000) ordinary shares in issue as at 30 June 2014.

19. DISPOSAL OF SUBSIDIARIES

On 26 June 2014, the Group disposed of its wholly owned subsidiaries of 1) Opes Asia Development (Hong Kong) Limited and its subsidiaries, 2) Greater China Bio-Energy Funding Investment Limited and its subsidiaries, and 3) Grand Smart Consultants Limited (collectively referred to as the "Disposed Subsidiaries") at aggregate consideration of HK\$4,230,000. Upon completion of the disposal, the Disposed Subsidiaries ceased to be subsidiary of the Company.

The net assets of the Disposed Subsidiaries at the date of disposal:

	<i>HK\$</i>
Property, plant and equipment	1,036,754
Other receivables, prepayments and deposits	1,017,584
Cash and cash equivalents	3,295,771
Accrued expenses	(1,284,543)
	<hr/>
Net assets of the Disposed Subsidiaries	4,065,566
Gain on disposal of subsidiaries	164,434
	<hr/>
Total cash consideration	4,230,000
	<hr/>
Net cash inflow in respect of the disposal of subsidiaries	
Cash consideration receivable	4,230,000
Cash and cash equivalents disposed of	(3,295,771)
	<hr/>
	934,229
	<hr/>

20. COMMITMENTS UNDER OPERATING LEASES

As lessee

As at 30 June 2014 and 31 December 2013, the Group had outstanding commitments payable under non-cancellable operating leases in respect of office premises with average lease term of 3 years (2013: 3 years) which fall due as follows:

	As at 30 June 2014 HK\$ (Unaudited)	As at 31 December 2013 HK\$ (Audited)
Within one year	777,825	4,469,795
In the second to fifth year, inclusive	261,525	2,246,965
	<hr/>	
	1,039,350	6,716,760
	<hr/>	

21. CAPITAL COMMITMENTS

The Group had the following outstanding commitments at the end of the reporting period:

	As at 30 June 2014 HK\$ (Unaudited)	As at 31 December 2013 HK\$ (Audited)
Commitment for the acquisition of property, plant and equipment	11,700,000	–

22. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

	Six months ended 30 June	
	2014 HK\$ (Unaudited)	2013 HK\$ (Unaudited)
Investment management fee paid and payable to: China International Capital Limited (<i>Note (a)</i>)	970,250	925,665
Administrative expenses paid and payable to: Ngai Lik Properties Limited (<i>Note (b)</i>)		
– Rental expenses paid	23,775	–
– Rental deposit paid	47,550	–
– Electricity expenses paid	1,444	–
	72,769	–
Compensation of key management personnel of the Group:		
Salaries, allowances and benefits in kind	1,421,037	1,418,402
Provident fund contributions	10,000	22,608
Total compensation paid to key management personnel	1,431,037	1,441,010

Notes:

- (a) Under Chapter 21.13 of the Listing Rules, any investment manager, investment adviser or custodian (or any connected person thereof) is regarded as a connected person of the Company.
- (b) The amount represents payment for office premises expense paid to Ngai Lik Properties Limited (“Ngai Lik”), of which Dr. Lam Man Chan, Chairman and non-executive Director of the Company, has a beneficial interest in Ngai Lik.

23. SHARE OPTION SCHEME

The Company's Share Option Scheme (the "Scheme"), was adopted pursuant to a resolution passed on 8 February 2002, and revised pursuant to a resolution passed on 6 December 2002, for the primary purpose of providing incentives to Directors and eligible participants (as defined in the Scheme), and had been expired on 7 February 2012. Under the Scheme, the Board may grant options to Directors of the Company (including Non-executive Directors and Independent Non-executive Directors) and its eligible participants to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or Independent Non-executive Directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

Options granted must be taken up within 7 days of the date of grant, upon payment of HK\$1 for the options granted. Options may be exercised at any time from the date of grant of the share option to a period to be notified by the Board to each grantee at the time of making such offer, which shall not expire later than 10 years from the date of grant. The exercise price is determined by the Board at its absolute discretion and will not be less than the higher of (a) the closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant; (b) the average closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant; and (c) the nominal value of a share of the Company on the date of grant.

On 30 January 2008, the Company granted options under the Scheme to certain directors, employees and consultants of the Company, which entitle them to subscribe for a total of 99,000,000 ordinary shares at HK\$0.175 per share, upon payment of HK\$1 per grant.

On 10 June 2009, the Company granted share options under the Scheme to certain directors, employee and consultants of the Company, which entitle them to subscribe for a total of 135,960,000 ordinary shares at HK\$0.170 per share, upon payment of HK\$1 per grant.

The grant of the aggregate of 135,960,000 share options of which 65,000,000 share options is conditional on, among others, the shareholders' approval at the special general meeting and the Listing Committee of the Stock Exchange granting the listing of and permission to deal in such number of Shares which may be issued pursuant to exercise of options to be granted. On 19 August 2009, the shareholders' approval was obtained through the passing of ordinary resolutions at special general meeting and the approval from the Stock Exchange has also been obtained thereafter.

23. SHARE OPTION SCHEME *(Continued)*

On 26 July 2011, the Company granted share options under the Scheme to certain Directors of the Company, which entitled them to subscribe for a total of 67,880,000 ordinary shares at HK\$0.065 per share, upon payment of HK\$1 per grant.

On 31 July 2012, a new Share Option Scheme had been adopted by the Company.

The Company's new Share Option Scheme (the "New Scheme") was adopted pursuant to a resolution passed on 31 July 2012 for the primary purpose of providing incentives to directors of the Company and eligible participants (as defined in the New Scheme), and will expire on 30 July 2022. Under the New Scheme, the Board may grant options to directors of the Company (including Non-executive Directors and Independent Non-executive Directors) and its eligible participants to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the New Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or Independent Non-executive Directors in excess of 0.1% of the Company's share capital and with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

Options granted must be taken up on or before the relevant acceptance date, upon payment of HK\$1 for the options granted. Options may be exercised at any time from the date of grant of the share option to a period to be notified by the Board to each grantee at the time of making such offer, which shall not expire later than 10 years from the date of grant. The exercise price is determined by the Board at its absolute discretion and will not be less than the higher of (a) the closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant; (b) the average closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant; and (c) the nominal value of a share of the Company on the date of grant.

On 10 September 2013, the Company granted share options under the New Scheme to certain directors and employees of the Company, which entitle them to subscribe for a total of 29,930,000 ordinary shares at HK\$0.25 per share, upon payment of HK\$1 per grant.

On 31 March 2014, the Company granted share options under the New Scheme to certain directors and employees of the Company, which entitle them to subscribe for a total of 8,285,300 ordinary shares at HK\$0.61 per share, upon payment of HK\$1 per grant.

23. SHARE OPTION SCHEME (Continued)

All the 18,156,900 (31 December 2013: 31,728,252) outstanding share options granted and yet to be exercised represents approximately 3.45% (31 December 2013: 8.83%) of the issued share capital of the Company as at 30 June 2014. All the options granted are exercisable within a period of 10 years commencing on the adoption date. These share options vested at the dates of their issue and they are non-transferable.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

For the six months ended 30 June 2014

Date of grant	Exercise price	At 1 January 2014	Granted during the period	Exercised during the period	Lapsed or cancelled during the period	At 30 June 2014
30 January 2008 (Note I)	HK\$1.538	682,759	-	-	(682,759)	-
10 June 2009 (Note I)	HK\$1.494	113,793	-	-	(113,793)	-
26 July 2011 (Note II)	HK\$0.650	4,294,000	-	-	(1,800,000)	2,494,000
10 September 2013	HK\$0.250	26,637,700	-	(9,272,500)	(7,987,600)	9,377,600
31 March 2014	HK\$0.610	-	8,285,300	-	(2,000,000)	6,285,300
		31,728,252	8,285,300	(9,272,500)	(12,584,152)	18,156,900
Weighted average exercise price		HK\$0.336	HK\$0.610	HK\$0.250	HK\$0.446	HK\$0.430

For the six months ended 30 June 2013

Date of grant	Exercise price	At 1 January 2013	Granted during the period	Exercised during the period	Lapsed or cancelled during the period	At 30 June 2013
30 January 2008 (Note I)	HK\$1.538	2,503,448	-	-	-	2,503,448
10 June 2009 (Note I)	HK\$1.494	11,090,276	-	-	-	11,090,276
26 July 2011 (Note II)	HK\$0.650	4,294,000	-	-	-	4,294,000
		17,887,724	-	-	-	17,887,724
Weighted average exercise price		HK\$1.300	-	-	-	HK\$1.300

23. SHARE OPTION SCHEME (Continued)

Share options outstanding at the end of the period have the following expiry dates and exercise prices:

Date of grant	Expiry date	Exercise price per share (Note (ii))	As at	As at
			30 June 2014	31 December 2013
			Number of share options	Number of share options
30 January 2008 (Note I)	29 January 2018	HK\$1.538	–	682,759
10 June 2009 (Note I)	9 June 2019	HK\$1.494	–	113,793
26 July 2011 (Note II)	25 July 2021	HK\$0.650	2,494,000	4,294,000
10 September 2013	9 September 2023	HK\$0.250	9,377,600	26,637,700
31 March 2014	30 March 2024	HK\$0.610	6,285,300	–
			18,156,900	31,728,252

Note:

- (i) The number of share options and its exercise price have been adjusted after the completion of open offer and share consolidation of the Company on 16 June 2011 and 30 November 2011 respectively.
- (ii) The number of share options and its exercise price have been adjusted after completion of Share consolidation of the Company on 30 November 2011.

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The fair value of financial assets and financial liabilities are determined as follows:

- (i) the fair value of financial assets and financial liabilities (including derivative instruments) with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- (ii) the fair value of other financial assets and financial liabilities (including derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input. For an option-based derivative, the fair value is estimated using option pricing model (for example, the Binomial model).

The Group's financial instruments that are measured subsequent to initial recognition at fair value are grouped into Level 1 to 3 based on the degree to which the fair value is observable.

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

During the six months ended 30 June 2014 and 2013, there were no transfers between Level 1 and 2, or transfer into or out of Level 3. The Group's policy is to recognize transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The Group held the following asset measured at fair value.

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
At 30 June 2014				
Financial assets				
Financial assets at fair value through profit or loss	41,201,200	-	1,111,304	42,312,504
Available-for-sale financial assets	-	-	8,819,511	8,819,511
Total	41,201,200	-	9,930,815	51,132,015
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$

At 31 December 2013

Financial assets				
Financial assets at fair value through profit or loss	18,409,500	-	1,044,133	19,453,633
Derivative component in convertible bond receivables	-	-	395,241	395,241
Available-for-sale financial assets	-	-	9,956,383	9,956,383
Total	18,409,500	-	11,395,757	29,805,257

The fair value of unlisted available-for-sale financial assets was arrived at on the basis of business valuation carried on that day by independent qualified professional valuers not connected with the Group. The valuations were arrived at by reference to either the income approach or the price-to-book ratio of similar listed companies and adjusted to reflect the specific circumstance of the investments.

The fair value of derivative component in convertible bonds was determined using the Binomial Model.

The net unrealised fair value change arising from the remeasurement of the unlisted available-for-sale financial assets are recognised in available-for-sale fair value reserve in other comprehensive income. The remeasurement of derivative component in convertible bonds presented in the condensed consolidated statement of profit or loss.

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurements of financial assets

	Financial assets at fair value through profit or loss HK\$	Unlisted equity securities HK\$	Derivative component in convertible bond receivable HK\$	Total HK\$
As at 1 January 2014	1,044,133	9,956,383	395,241	11,395,757
Gain or loss recognised in:				
– other comprehensive income	–	(1,136,872)	–	(1,136,872)
Expired during the period	–	–	(395,241)	(395,241)
Exchange alignment	67,171	–	–	67,171
As at 30 June 2014	1,111,304	8,819,511	–	9,930,815

	Financial assets at fair value through profit or loss HK\$	Unlisted equity securities HK\$	Derivative component in convertible bond receivable HK\$	Total HK\$
As at 1 January 2013	–	15,414,282	185,850	15,600,132
Gain or loss recognised in:				
– profit or loss	1,044,133	–	209,391	1,253,524
– other comprehensive income	–	(2,657,899)	–	(2,657,899)
Transfer to assets classified as held for sales	–	(2,800,000)	–	(2,800,000)
As at 31 December 2013	1,044,133	9,956,383	395,241	11,395,757

25. EVENTS AFTER THE END OF THE REPORTING PERIOD

- (i) On 3 July 2014, a wholly owned subsidiary of the Company entered into a memorandum of understanding (“MOU”) with an independent third party (the “Target Company”), which the Group intends to invest in the Target Company with an expected investment amount of about HK\$15 million to HK\$20 million, subject to further negotiations and due diligent review. Details are set out in the Company’s announcement dated 3 July 2014.
- (ii) During the year ended 31 December 2012, the Group entered into an agreement to subscribe for the CB with principal amount of RMB20,000,000 from AGHL (the “Note Issuer”) at a consideration of RMB20,000,000 (approximately HK\$24,680,000). The CB carries interest of 20% per annum and matured on 13 June 2014.

Upon the maturity of the CB on 13 June 2014, the AGHL was unable to redeem the CB with interest incurred. On 19 June 2014, the Group issued a demand letter to the Note Issuer for redemption and repayment. Up to the date of this report, HK\$5,000,000 was partially settled, and the Company received a repayment proposal for the repayment of the principal by a monthly instalment of HK\$2 million for 10 months whilst all the outstanding interest incurred of approximately HK\$5 million under the CB would be waived. Details are set out in the Company’s announcements dated 4 July 2014, 31 July 2014, 15 August 2014 and 18 August 2014.

- (iii) On 11 July 2014, the Company entered into an underwriting agreement with Goodchamp Holdings Limited, a shareholder of the Company, and Kingston Securities Limited, an independent third party, (collectively the “Underwriters”) and proposed to raise not less than approximately HK\$210.6 million and not more than approximately HK\$215.5 million, by way of right issue of not less than 2,106,618,000 rights shares and not more than 2,154,104,400 rights share at the subscription price of HK\$0.10 per rights share on the basis of four rights shares for every one Share held (the “Rights Issue”). The Rights Issue has not completed at the date of report, details are set out in the Company’s announcement dated 11 July 2014 and circular dated 8 August 2014.



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

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Hong Kong

INDEPENDENT REVIEW REPORT TO THE BOARD OF DIRECTORS OF OPES ASIA DEVELOPMENT LIMITED

(continued in Bermuda with limited liability)

We have reviewed the interim financial information set out on pages 2 to 28, which comprises the condensed consolidated statement of financial position of Opes Asia Development Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as at 30 June 2014 and the related condensed consolidated statement of profit or loss, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and 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 provisions thereof and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information 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 interim financial information 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 interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Yu Chi Fat

Practising Certificate Number: P05467

Hong Kong, 21 August 2014

MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

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

FINANCIAL REVIEW

For the six months ended 30 June 2014, the Group recorded a revenue of HK\$12.23 million (six months ended 30 June 2013: HK\$26.79 million), representing a decrease of approximately 54.4% as compared with that of corresponding period. The decrease in revenue was in line with the low volatility of the Hong Kong stock market during the first half of 2014. Being affected by the overseas and the Mainland market conditions, the Hong Kong stock market underperformed most major markets. During the period, the Hang Seng Index dropped approximately 0.5%. As stated in "Research Paper No. 55: Half-yearly review of the global and local securities markets" issued by the SFC on 18 July 2014, investor sentiment was generally poor due to the following concerns;

1. The tapering of quantitative easing by the U.S. Federal Reserve Bank,
2. The uncertainty of the effectiveness of European Central Bank's stimulus,
3. The bearish market performance and signs of possible economic slowdown in the Mainland, and
4. Several defaults of corporate bonds and wealth management products in the Mainland.

The Group's gross profit for the period was approximately HK\$0.34 million (six months ended 30 June 2013: HK\$0.33 million). The slight gross profit was comparable to that of corresponding period and included the following items:

1. the net unrealised fair value gain on financial assets at fair value through profit or loss of approximately HK\$9.76 million (six months ended 30 June 2013: HK\$0.27 million);
2. the loss on disposal of assets classified as held for sale of approximately HK\$7,200,000 (six months ended 30 June 2013: Nil). It represented the reclassification of the relevant available-for-sale fair value reserve from other comprehensive income to profit or loss, and such loss was offset by the aforesaid comprehensive income recorded in the same period; and
3. an impairment loss of about HK\$5 million was recognised for the amounts due from the convertible note issuer. For details, please refer to the Investment Review below.

The Group's other income mainly represented the receipt of certain guaranteed payment from an investment, impaired in previous financial years. The administrative expenses rose by approximately HK\$3.28 million, or approximately 28.6%, as compared to 2013. This was mainly attributable to the share-based payment of approximately HK\$2.24 million for the share options granted during the period. The net loss attributable to shareholders for the six months ended 30 June 2014 was approximately HK\$15.63 million (six months ended 30 June 2013: HK\$14.43 million).

During the period, the Group also streamlined its operations and sold out certain of its non profit-making subsidiaries, closing the branches in the PRC and Taiwan. The Group wrote off certain property, plant and equipment in these branches, totalling approximately HK\$1.07 million (six months ended 30 June 2013: Nil).

As at 30 June 2014, the Group's net asset value ("NAV") was approximately HK\$117.08 million (31 December 2013: HK\$75.98 million), a significant increase of approximately 54.1% compared to that of 31 December 2013. This increase was mainly resulted from the fund raising activities during the period and the company completed two placements of new shares in January and May 2014, with an total amount of approximately HK\$46 million. To weather the tough situation in Hong Kong stock market, the Company decided to further enhance its capital base and competitiveness by increasing its equity through the above placements of new shares.

The NAV per share was HK\$0.2223 (31 December 2013: HK\$0.2116), increased by 5.1% compared to that as at 31 December 2013.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2014, the cash and bank balances of the Group were approximately HK\$32.26 million (31 December 2013: HK\$10.10 million). As most of them are denominated in Hong Kong dollars, the Group does not have a significant exposure to foreign currency risk.

The Group had no borrowings, no contingent liabilities and no charges on the Company's assets as at 30 June 2014 (31 December 2013: Nil), and the Group could focus itself on pursuing its investment strategies and exploring investment opportunities.

There was no long term borrowings and calculation of gearing ratio was not applicable (31 December 2013: Nil).

As at 30 June 2014, the Group had commitment for the acquisition of property, plant and equipment of approximately HK\$11.7 million (31 December 2013: Nil).

INVESTMENT REVIEW

The investment portfolio of the Group mainly comprises of listed equity investments in Hong Kong and Australia and unlisted equity investments in Hong Kong and China during the period under review. At 30 June 2014, the investment portfolio of the Company is of approximately HK\$51.13 million (31 December 2013: HK\$32.21 million).

Listed equity investments

Listed below are the particulars of the Group's listed equity investments as at 30 June 2014.

Name of equity securities	Nature of business	Interest held (%)	Invested amount HK\$	Carrying amount HK\$	Percentage of investment attributable to the Group's net assets
HSBC	Bank	0.00%	807,500	786,000	0.67%
China Financial Leasing Group Limited	Investment in listed and unlisted securities in Hong Kong and overseas	0.48%	6,877,400	7,891,200	6.74%
China Life Insurance Company Limited	Writing of life insurance business, providing life, annuities, accident and health insurance products in China	0.00%	3,876,000	3,654,000	3.12%
Hong Kong Electric Investments Limited	Electricity supply	0.01%	4,351,900	4,347,000	3.71%
Long Success International (Holdings) Limited	Trading of wine and alcohol	1.02%	9,831,273	6,075,000	5.19%
Ming Kei Holdings Limited	Short-term financing services in PRC, property investment and coal trading between PRC and Indonesia	0.12%	461,000	688,000	0.59%
JC Group Holdings Limited	Operation and management of restaurants & cake shops in Hong Kong	1.50%	8,994,600	17,760,000	15.17%
Viagold Capital Limited	Leasing and capital financial services, consultancy and management services to educational institutions	3.89%	11,727,980	1,111,304	0.95%
				42,312,504	

Unlisted equity investments

Listed below are the particulars of the Group's unlisted equity investments as at 30 June 2014.

Name of equity securities	Nature of business	Interest held (%)	Invested amount HK\$	Carrying amount HK\$	Percentage of investment attributable to the Group's net assets
北京華寶時代國際設備租賃有限公司 (Beijing HuaBao Times International Equipment Leasing Co. Limited)	Leasing of property and vehicles	30.00%	12,000,000	5,910,000	5.05%
The Pride Fund Management Limited	Provision of investment advisory and asset management services	9.90%	1,600,000	2,909,511	2.49%
Becky Agric Resources Co., Limited ("Becky Agric")	Organic farming and agriculture business	30.00%	12,000,000	-	n/a
Dyxnnet Holding Limited	Provision of internet access, internet hosting and other related services	0.23%	4,000,000	-	n/a
				8,819,511	

The disposal of the assets held for sale, representing the investment in Hou Tin International Limited, was completed during the period. For details of this investment, please refer to the Company's annual report for the year ended 31 December 2013. The fair value change of available-for-sale fair value reserve of such financial assets of HK\$7,200,000 was reclassified to the profit or loss of the Group upon the disposal.

During the period, the Company successfully demanded certain outstanding guaranteed profit payments in relation to Becky Agric in the amount of approximately HK\$2.64 million and recognised it as other income in the condensed consolidated statement of profit or loss.

Regarding the investment in the convertible note, the note issuer was unable to redeem it with interest accrued upon the maturity during the period. Certain recovery actions have been taken and the Company has received HK\$5 million and a settlement proposal. The management will continue to use its best endeavors to recover all of the amounts due from the note issuer including interest accrued under the note. At this stage, the Company considers it prudent to recognise an impairment loss of approximately HK\$5.37 million in the condensed consolidated statement of profit or loss for the six months ended 30 June 2014. For details, please refer to the Company's announcement of 18 August 2014.

PROSPECT

The Group continues its ordinary course of investment business. With the unstable performance of the Hong Kong and the PRC stock markets during the first half of 2014 as compared to other overseas markets, such as the United States, the business performance of the Group could only be in line with the general market trend.

With the forthcoming launch of cross-border trading between Hong Kong and Shanghai in October 2014, the Group perceives it being an attractive opportunity for the Group's investments in the listed companies both in Hong Kong and the PRC. The Shanghai-Hong Kong Stock Connect was announced in April 2014 and the formal launch is expected to be about six months thereafter. Under this program of Shanghai-Hong Kong Stock Connect, mutual stock market access between Mainland China and Hong Kong will be established. This program can provide an unprecedented opportunity and creates momentum for the long-term development of the Hong Kong and the PRC capital market. The average trading volumes of the Hong Kong stock market are expected to increase accordingly because of the establishment of mutual stock market access between Mainland China and Hong Kong. Furthermore, the Group can invest on constituent stocks of Shanghai Stock Exchange 180 index and Shanghai Exchange 380 index, aiming to capture these market opportunities.

Starting from July 2014, the investor sentiment has turned positive. In July, the State-owned Assets Supervision and Administration Commission (SASAC) in the Mainland announced several pilot reform measures, including transformation into state capital investment companies and mixed-ownership, for six state-owned-enterprises (SOE). This SOE reform aims to focus SASAC on the use of capital and reduce its intervention in companies' asset allocations and operations, leading to corporate efficiency and profitability in the long-run. Moreover, China recorded a substantial monthly trade surplus in July and the Chinese Yuan renminbi started to appreciate again after a steep depreciation in the first half of 2014.

Since the beginning of July 2014, the Hong Kong Monetary Authority has also repeatedly intervened in the currency market because the influx of funds boosted the Hong Kong dollar to the upper end of its trading band. The influx may be due to the October launch of the Shanghai-Hong Kong Stock Connect and the fund flows from Russia because of the unrest in Ukraine. In July, the Hang Seng Index rose about 6.8 percent. However, the government has warned that the hot money could leave quickly due to a poor economic outlook and fears of a US interest rate rise.

In view of the above market opportunities against the backdrop of a difficult business environment, the Company has taken a proactive but yet prudent approach and has pursued the following initiatives:

1. To control costs, the Company has moved its office to achieve a substantial saving in rental expenses. The Group also purchased a property near this new office for our investment operation purposes. This self-used property is expected to achieve cost savings in the long run.
2. The Group has sought for investment opportunities in unlisted companies, engaging in different industries, including green and clean energy, dairy products and medical devices. The liquidity of this kind of unlisted investments is generally low, and their internal rates of return can be high. We will carry out diligence review cautiously before making investment decisions. The Group has entered into two letters of intent for certain investments and our assessments are under way. For details of the two letters of intent, please refer to the Company's respective announcements of 30 June 2014 and 3 July 2014.
3. During the period, the Company has strengthened its management team and has appointed a licensed person, who can carry out type 9 (assets management) regulated activities under the SFO, to the board, a qualified professional accountant to chair the audit committee and an experienced senior executive to be the CEO.

Looking forward, with the substantial enhancement in capital base upon the completion of the proposed rights issue, the Group is confident of implementing its investment strategy, and can diversify to different major asset classes, such as equity in listed securities and high-yield bonds. The Group aims to maintain a diversified asset mix that can generate acceptable long term returns at a level of risk suitable to the Company and its shareholders.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the period, the Group entered into a sale and purchase agreement with an independent third party to dispose the entire 100% equity interest of its three non profit-making subsidiaries with branches in Taiwan and the PRC for an aggregate consideration of HK\$4,230,000.

EXPOSURE TO FOREIGN EXCHANGE RISK

Majority of the Group's investment are denominated in Hong Kong dollars (for certain investment in Hong Kong equity as well as cash with bank), and the Group has no significant exposure to foreign exchange fluctuation.

CAPITAL STRUCTURE

On 6 January 2014, a placing of new shares was completed and the Company issued a total of 71,832,000 ordinary shares with par value of HK\$0.01 each at a price of HK\$0.165 each. On 9 May 2014, another placing of new shares was completed and the Company issued a total of 86,390,000 ordinary shares with par value of HK\$0.01 each at a price of HK\$0.41 each.

During the period, the Company issued total of 9,272,500 ordinary shares with par value of HK\$0.01 each at a price of HK\$0.25 each through the exercise of share options by grantees.

After these placing exercises and exercise of share options, the issued share capital of the Company was thus increased from HK\$3,591,600 to HK\$5,266,545. The excess of the placement proceeds over the nominal value of share capital issued was credited as share premium. The Company had applied the net proceeds to the general working capital of the Company and investments.

Other than these, there was no movement on the share capital of the Company.

At as 30 June 2014, the Company's total number of issued shares was 526,654,500 (as at 31 December 2013: 359,160,000).

On 11 July 2014, the Company entered into an underwriting agreement with Goodchamp Holdings Limited a shareholder of the Company, and Kingston Securities Limited, an independent third party, (collectively the "Underwriters") and proposed to raise not less than approximately HK\$210.6 million and not more than approximately HK\$215.5 million, by way of rights issue of not less than 2,106,618,000 rights shares and not more than 2,154,104,400 rights share at the subscription price of HK\$0.10 per Rights Share on the basis of four Rights Shares for every one Share held (the "Rights Issue"). The Rights Issue has not completed at the date of this interim report. Details are set out in the Company's announcement dated 11 July 2014 and circular dated 8 August 2014.

STAFF

As at 30 June 2014, the Company had 13 staff, and all of them were in Hong Kong. Total staff cost and directors' remuneration paid during the first half of 2014 was approximately HK\$6.45 million (2013: approximately HK\$3.98 million). This was mainly attributable to the increase in employee benefits expenses of approximately HK\$2.47 million, which included a share-based payment of approximately HK\$2.24 million for the share options granted during the period. The remuneration packages for the employees and the directors are in line with the prevailing market practice and are determined on the basis of performance and experience of each individual.

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

During the six months ended 30 June 2014, the Company and subsidiaries did not purchase, sell or redeem any of the Company's listed securities.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules as the codes of conduct regarding securities transactions by Directors.

On specific enquiries made, all Directors have confirmed that, in respect of the six months ended 30 June 2014, they have complied with the required standard as set out in Model Code.

AUDIT COMMITTEE

During the period under review, the Audit Committee was comprised of Mr. Ku Siu Fun Alex, Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Mr. Ku Siu Fun, Alex was resigned on 7 May 2014. As at the date of this interim report, the Audit Committee of the Company comprise of Mr. Tam Yuk Sang, Sammy (Chairman of the Audit Committee), Dr. Ng Chi Yeung, Simon and Ms. Florence Ng. All of them are the Independent Non-executive Directors of the Company.

The Audit Committee met and reviewed with the management the accounting principles and practices adopted by the Group, and discussed internal controls and financial reporting matters including review and approval of the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2014.

REMUNERATION COMMITTEE

During the period under review, the members of the Remuneration Committee were Mr. Ku Siu Fun Alex, Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Mr. Ku Siu Fun Alex was resigned on 7 May 2014. Dr. Ng Chi Yeung, Simon, the Independent Non-executive Director of the Company was appointed as the member of the Remuneration committee to fill in the vacancy.

As at the date of this interim report, the Remuneration Committee of the Company comprise of Mr. Tam Yuk Sang, Sammy (Chairman of the Remuneration Committee), Dr. Ng Chi Yeung, Simon and Ms. Florence Ng. All of them are the Independent Non-executive Directors of the Company. The Remuneration Committee has adopted terms of reference which are in line with the Code on Corporate Governance Practices under the Listing Rules ("CG Code").

NOMINATION COMMITTEE

During the period under review, the members of the Nomination Committee were Mr. Ku Siu Fun Alex, Mr. Yang Yongdong, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Mr. Ku Siu Fun Alex was resigned on 7 May 2014 and Dr. Ng Chi Yeung, Simon filled in vacancy of chairman of the Nomination Committee on 27 May 2014. Mr. Yang Yongdong resigned as member of Nomination Committee of the Company on 4 July 2014 and Mr. Lee Kwok Leung, the Executive Director of the Company, was appointed as the member of the Nomination Committee on 7 July 2014.

As at the date of this interim report, the Nomination Committee comprises three Independent Non-executive Directors, comprising Dr. Ng Chi Yeung, Simon (Chairman of the Nomination Committee), Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng and the Executive Director, Mr. Lee Kwok Leung. The Nomination Committee has adopted terms of reference which are in line with the CG Code.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES UNDER THE LISTING RULES

During the period under review, the Company has complied with all of the provisions under the CG Code except for the following derivation:

Code A.4.1

All the Independent Non-executive directors were not appointed for a specific term, however, their appointment are subject to retirement by rotation at the annual general meeting as specified in the bye-laws of the Company.

Code A.7.1

The code provision A.7.1 requires for regular board meetings, and as far as practicable in all other cases, an agenda and accompanying board papers should be sent, in full, to all directors. These should be sent in a timely manner and at least 3 days before the intended date of a board or board committee meeting (or other agreed period).

Due to the practical reasons, an agenda and accompanying board paper have not been send, in full, in 3 days' advanced to all meetings of the Board or Board Committee. The Board will use its best endeavours to send the agenda and accompanying board paper, in full to the Board or Board Committee at least 3 days' advanced to the extent practicable.

The Company believes that a sound corporate governance is fundamental for the development of the Company as well as for the benefits of the shareholders, therefore, the Company commits to continue to improve its corporate governance if necessary.

THE BOARD AND THE CHIEF EXECUTIVE OFFICER

1. Dr. Lam Man Chan was appointed as Chairman and Non-Executive Director of the Company on 11 February 2014.
2. Mr. Choi Wai King was appointed as Executive Director of the Company on 13 February 2014 and resigned as Executive Director of the Company on 30 April 2014.
3. Mr. Zhou Tao David resigned as Executive Director and member of the Remuneration Committee of the Company on 28 February 2014.
4. Mr. Choi Chiu Ming, Jimmy resigned as Non-Executive Director of the Company on 6 May 2014.
5. Mr. Ku Siu Fun Alex resigned as Independent Non-Executive Director, chairman of Audit Committee and Nomination Committee and member of Remuneration Committee of the Company on 7 May 2014.

6. Mr. Lee Kwok Leung was appointed as Executive Director of the Company on 8 May 2014 and member of Nomination Committee on 7 July 2014.
7. Mr. Tam Yuk Sang, Sammy, Independent Non-Executive Director, was appointed as chairman of Audit Committee of the Company on 7 May 2014.
8. Dr. Ng Chi Yeung, Simon, Independent Non-Executive Director, was appointed as chairman of Nomination Committee and member of Remuneration Committee on 7 May 2014.
9. Mr. Yang Yongdong resigned as Executive Director of the Company on 4 July 2014 and was re-designated to Deputy Chief Executive Officer on 4 July 2014.
10. Dr. Yeung Cheuk Kwong was appointed as Chief Executive Officer of the Company on 7 July 2014. Dr. Yeung has subsequently entered into a service agreement with the Company for a term of two years. His appointment is subject to termination, *inter alia*, by either party giving not less than three months' written notice.

As at the date of this interim report, the Board consists of one Executive Director, namely, Mr. Lee Kwok Leung, one Non-executive director, namely, Dr. Lam Man Chan and three Independent Non-executive Directors, namely, Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2014, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under Section 352 of the SFO or which were required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions in the Shares

Name of Directors	Notes	Type of interest	Number of shares held	Percentage holding of issued share capital
Yang Yongdong (resigned on 4 July 2014)	1	Beneficial interest	5,487,000	1.04%
Lam Man Chan	2	Beneficial interest	299,300	0.06%
	3	Interests as settlor and protector of a Discretionary trust	71,550,000	13.59%

Notes:

1. This represents the share options granted by the Company to Mr. Yang Yongdong, details of which has been disclosed in the section below "SHARE OPTION SCHEME".
2. This represents the share options granted by the Company to Dr. Lam Man Chan, details of which has been disclosed in the section below "SHARE OPTION SCHEME".
3. The interests are held by Goodchamp, which is directly owned by The Sinowin Unit Trust (Sinowin (PTC) Inc. as its trustee), which is 100% owned by the Richmond Trust (a discretionary trust in which HSBC International Trustee Limited is the trustee). Dr. Lam, who is the chairman and a non-executive Director of the Company, is the settlor and protector of Richmond Trust.

Save as disclosed above, as at 30 June 2014, none of the Directors nor the chief executive of the Company and their associates had or was deemed to have any interests or short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the share option scheme disclosures, at no time during the six months ended 30 June 2014 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director of the Company or their respective spouse or minor children, or were any such rights exercised by them; or was the Company a party to any arrangement to enable the Directors of the Company to acquire such rights in any other body corporate.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 30 June 2014, so far as was known to the directors or chief executive of the Company, the following persons (other than the interests disclosed above in respect of certain directors and chief executive of the Company) has, or is deemed to have, interests or short positions in the Shares or underlying Shares of the Company as recorded in the register to be kept under Section 336 of the SFO are set out below:

Name of Shareholders	Notes	Capacity	Number of Shares held	Percentage Holding of the issued share capital
Goodchamp Holdings Limited	1	Beneficial owner	71,550,000	13.59%
Sinowin (PTC) Inc.	1	Interest of controlled corporation	71,550,000	13.59%
HSBC International Trustee Limited	1	Trustee	71,550,000	13.59%

Note:

- (1) The interests are held by Goodchamp, which is directly owned by The Sinowin Unit Trust (Sinowin (PTC) Inc. as its trustee), which is 100% owned by the Richmond Trust (a discretionary trust in which HSBC International Trustee Limited is the trustee). Dr. Lam, the Chairman and non-executive Director, is the settlor and protector of Richmond Trust.

Save as disclosed above, as at 30 June 2014, the directors and chief executive of the Company are not aware of any other persons who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

SHARE OPTION SCHEME

A share option scheme of the Company was approved and adopted on 8 February 2002 (the "Scheme") has been expired on 7 February 2012. A new share option scheme (the "New Scheme") had been adopted on 31 July 2012. The New Scheme is valid and effective for a period of ten years from the date of adoption.

On 10 September 2013, the Company granted share options under the New Scheme to certain Directors and employees of the company which entitle them to subscribe for a total of 29,930,000 ordinary shares at HK\$0.25 per share upon payment of HK\$1.00 per grant.

On 31 March 2014, the Company granted share options under the New Scheme to certain Directors and employees of the company which entitle them to subscribe for a total of 8,285,300 ordinary shares at HK\$0.61 per share upon payment of HK\$1.00 per grant.

Pursuant to the New Scheme, the Company may grant options to, inter alia, directors and employees of the Company or its subsidiaries and other participants to subscribe for shares in the Company. The details of the terms of the New Scheme were disclosed in the Company's 2013 annual report issued on 20 March 2014.

Details of the share options offered and accepted under the Scheme and New Scheme during the six months ended 30 June 2014 (the "Period") and their movements during the Period are as follow:

Grantee	Position	Date of grant	Exercise period	Exercise Price per share HK\$	No. of share options				
					Outstanding as at 1/1/2014	Exercised during the period	Granted during the period	Lapsed or cancelled during the period	Outstanding as at 30/6/2014
Lam Man Chan (Note 1)	Chairman and Non-Executive Director	31/3/2014	31/3/2014 to 30/3/2024	0.61	-	-	299,300	-	299,300
Yang Yongdong (Note 2)	Executive Director	26/7/2011	26/7/2011 to 25/7/2021	0.65	2,494,000	-	-	-	2,494,000
		10/9/2013	10/9/2013 to 9/9/2023	0.25	2,993,000	-	-	-	2,993,000

Grantee	Position	Date of grant	Exercise period	Exercise Price per share HK\$	No. of share options				
					Outstanding as at 1/1/2014	Exercised during the period	Granted during the period	Lapsed or cancelled during the period	Outstanding as at 30/6/2014
Zhou Tao David	Ex-Executive Director	10/9/2013	10/9/2013 to 9/9/2023	0.25	2,993,000	-	-	(2,993,000)	-
Ku Siu Fun Alex	Ex-Independent Non-Executive Director	10/9/2013	10/9/2013 to 9/9/2023	0.25	299,300	-	-	-	299,300
Fan Wai Kong Michael	Ex-Independent Non-Executive Director	10/9/2013	10/9/2013 to 9/9/2023	0.25	299,300	-	-	(299,300)	-
Chu Wai Lim	Ex-Executive Director	26/7/2011	26/7/2011 to 25/7/2021	0.65	600,000	-	-	(600,000)	-
Fong Son Wa	Ex-Executive Director	30/1/2008	30/1/2008 to 29/01/2018	1.538	682,759	-	-	(682,759)	-
		10/6/2009	10/6/2009 to 9/6/2019	1.494	113,793	-	-	(113,793)	-
		26/7/2011	26/7/2011 to 25/7/2021	0.65	300,000	-	-	(300,000)	-
Choi Chiu Ming, Jimmy	Ex-Non-Executive Director	31/3/2014	31/3/2014 to 30/3/2024	0.61	-	-	2,000,000	(2,000,000)	-
Yeung Cheuk Kwong (Note 3)	Chief Executive Officer	31/3/2014	31/3/2014 to 30/3/2024	0.61	-	-	2,993,000	-	2,993,000
Employees	n/a	26/7/2011	26/7/2011 to 25/7/2021	0.65	300,000	-	-	(300,000)	-
Employees	n/a	10/9/2013	10/9/2013 to 9/9/2023	0.25	20,053,100	(9,272,500)	-	(4,695,300)	6,085,300
Employee	n/a	31/3/2014	31/3/2014 to 30/3/2024	0.61	-	-	2,993,000	-	2,993,000
Consultants	n/a	26/7/2011	26/7/2011 to 25/7/2021	0.65	600,000	-	-	(600,000)	-
Total					31,728,252	(9,272,500)	8,285,300	(12,584,152)	18,156,900

Notes:

1. Dr. Lam Man Chan was appointed as Chairman and Non-Executive Director on 11 February 2014.
2. Mr. Yang Yongdong resigned as Executive Director on 4 July 2014.
3. Dr. Yeung Cheuk Kwong was appointed as Chief Executive Officer on 7 July 2014.

During the six months ended 30 June 2014, 12,584,152 options were lapsed or cancelled subsequent to the cessation of employment of certain employees and termination of the consultancy agreement.

During the six months ended 30 June 2014, 9,272,500 options were exercised.

During the six months ended 30 June 2014, the Company granted share options under the New Scheme to certain directors and employees of the Company, which entitle them to subscribe for a total of 8,285,300 ordinary shares at HK\$0.61 per share. The estimated fair value of the share options granted was approximately HK\$2,240,000.

By Order of the Board
Dr. Lam Man Chan
Chairman and Non-Executive Director

Hong Kong, 21 August 2014