OP FINANCIAL INVESTMENTS LIMITED
東英金融投資有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1140)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2016

RESULTS

The board of directors (the "Board" or the "Directors") of OP Financial Investments Limited (the "Company" or "OP Financial" or "OPFI") and its subsidiaries (the "Group") is pleased to present to the shareholders the audited consolidated results of the Group for the financial year ended 31 March 2016 (the "Year") together with comparative figures for the last financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	**2016**	2015
		HK$'000	*HK$'000*
Revenue	*3*	**29,492**	31,805
Other income		**–**	637
Net change in unrealised gain/(loss) on financial assets at fair value through profit or loss			
– Classified as held for trading		**21,067**	13,236
– Designated as such upon initial recognition		**(3,685)**	(1,652)
		17,382	11,584
Net realised gain on disposal of investments		**89,358**	4,242
Impairment loss on available-for-sale financial assets		**(34,334)**	(90,309)
Equity-settled share-based payments		**(8,953)**	(1,142)
Operating and administrative expenses		**(71,310)**	(44,574)
Profit/(loss) from operations		**21,635**	(87,757)

* *For identification purposes only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(CONTINUED)*
FOR THE YEAR ENDED 31 MARCH 2016

	Note	**2016** **HK$'000**	2015 *HK$'000*
Share of results of investments accounted for using equity method		**23,918**	89,520
Impairment loss on investment in an associate		**(1,416)**	–
Profit before tax		**44,137**	1,763
Taxation	*5*	**20**	(4,714)
Profit/(loss) for the Year	*6*	**44,157**	(2,951)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences		**–**	(55)
Available-for-sale financial assets			
Fair value changes		**(36,444)**	(99,172)
Impairment loss		**34,334**	90,309
Share of other comprehensive income of investments accounted for using equity method			
Fair value changes of available-for-sale financial assets		**(2,086)**	(2,071)
Exchange differences		**(307)**	91
Other comprehensive income for the Year, net of tax		**(4,503)**	(10,898)
Total comprehensive income for the Year		**39,654**	(13,849)
Proposed final dividend		**46,035**	–
Earnings/(loss) per share			
Basic	*7(a)*	**2.88 cents**	(0.31) cents
Diluted	*7(a)*	**2.88 cents**	(0.31) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2016

	Note	2016 HK$'000	2015 HK$'000
Non-current assets			
Property, plant and equipment		**96**	26
Investments accounted for using equity method		**466,453**	400,749
Available-for-sale financial assets		**192,721**	213,204
Financial assets at fair value through profit or loss		**8,596**	11,823
		667,866	625,802
Current assets			
Financial assets at fair value through profit or loss		**274,934**	143,862
Accounts and loans receivable	*8*	**3,905**	8,399
Interest receivables		**804**	770
Prepayments and other receivables		**39,655**	369
Bank and cash balances		**1,670,548**	513,375
		1,989,846	666,775
TOTAL ASSETS		**2,657,712**	1,292,577
Capital and reserves			
Share capital		**184,140**	94,140
Reserves		**2,408,168**	1,172,716
Proposed final dividend		**46,035**	–
TOTAL EQUITY		**2,638,343**	1,266,856
Current liabilities			
Other payables		**4,691**	6,329
Tax payable		**14,678**	19,392
TOTAL LIABILITIES		**19,369**	25,721
TOTAL EQUITY AND LIABILITIES		**2,657,712**	1,292,577
NET ASSETS		**2,638,343**	1,266,856
Net asset value per share	*9*	**HK$1.43**	HK$1.35

NOTES

1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited ("Stock Exchange") and by the Hong Kong Companies Ordinance.

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

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

(a) New standards, amendments and interpretations adopted by the Group

In the Year, the Company and its subsidiaries (the "Group") has adopted all the relevant new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are currently in issue and effective for its accounting year beginning on 1 April 2015. HKFRSs comprise all applicable individual Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS"), and interpretations. The following new and revised HKFRSs are relevant to the Group's operations. The adoption of these new and revised HKFRSs had no material impact on the Group's results and financial position for the current or prior years, and did not result in any significant changes in the accounting policies of the Group.

- "Annual Improvements to HKFRSs 2010–2012 Cycle" and "Annual Improvements to HKFRSs 2011–2013 Cycle", effective for the accounting period on or after 1 July 2014, include a number of amendments to various HKFRSs. None of the amendments are expected to have an impact to the Group except for amendment to HKFRS 8 "Operating segment", amendments to HKAS 24 "Related Party Disclosures" and amendment to HKFRS 13 "Fair value measurement". The impact of these three amendments are summarised below:

  The amendment to HKFRS 8 requires disclosure of the judgements made by management in aggregating operating segments and a reconciliation of segment assets to the entity's assets when segment assets are reported. The amendment does not have material impact to the Group.

  The amendments to HKAS 24 state that the reporting entity is not required to disclose the compensation paid by the management entity (as a related party) to the management entity's employee or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided. The amendments do not have material impact to the Group.

  The amendment to HKFRS 13 clarifies that the portfolio exception in HKFRS 13, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of HKAS 39 or HKFRS 9. The amendment does not have material impact to the Group.

Other standards, amendments and interpretations which are effective for the Year are not material to the Group.

(b) New standards, amendments and interpretations have been issued but not yet effective for the Year and have not been early adopted

- HKFRS 9 "Financial instruments" addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of HKFRS 9 was issued in July 2014. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

  Contemporaneous documentation is still required but is different to that currently prepared under HKAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Group is assessing the impact of HKFRS 9.

- HKFRS 15 "Revenue from contracts with customers" deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces HKAS 18 "Revenue" and HKAS 11 "Construction contracts" and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Group is assessing the impact of HKFRS 15.

- Amendments to HKFRS 10, HKFRS 12 and HKAS 28 on investment entities: applying the consolidation exception clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments to HKFRS 10 clarify that the exception from preparing consolidated financial statements is available to intermediate parent entities which are subsidiaries of investment entities. The exception is available when the investment entity parent measures its subsidiaries at fair value. The intermediate parent would also need to meet the other criteria for exception listed in HKFRS 10. The amendments also clarify that an investment entity should consolidate a subsidiary which is not an investment entity and which provides services in support of the investment entity's investment activities, such that it acts as an extension of the investment entity. However, the amendments also confirm that if the subsidiary is itself an investment entity, the investment entity parent should measure its investment in the subsidiary at fair value through profit or loss. This approach is required regardless of whether the subsidiary provides investment-related services to the parent or to third parties. The amendments to HKAS 28 allow an entity which is not an investment entity, but has an interest in an associate or a joint venture which is an investment entity, a relief to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture for their subsidiaries when applying the equity method.

The standard is effective for annual periods beginning on or after 1 January 2016 and earlier application is permitted. The Group is assessing the impact of amendments to HKFRS 10, HKFRS 12 and HKAS 28.

- Amendments to HKAS 27 on equity method in separate financial statements allow entities to use equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The standard is effective for annual periods beginning on or after 1 January 2016 and earlier application is permitted. The Group is assessing the impact of amendments to HKAS 27.

- HKFRS 16 "Leases" addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. A key change arising from HKFRS 16 is that most operating leases will be accounted for on balance sheet for lessees. The standard replaces HKAS 17 "Leases", and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2019 and earlier application is permitted. The Group is assessing the impact of HKFRS 16.

There are no other HKFRS or HK(IFRIC) Interpretations that are not yet effective that would be expected to have a material impact on the Group.

3. REVENUE

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

	2016	2015
	HK$'000	*HK$'000*
Dividend income from unlisted investments	**4,493**	9,099
Performance premium from an investment partner	**15,504**	15,525
Interest income	**9,495**	7,181
	29,492	31,805

4. SEGMENT INFORMATION

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

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

Geographical information:

	2016	2015
	HK$'000	*HK$'000*
Revenue		
Hong Kong	**9,653**	15,204
Mainland China	**15,541**	15,675
Other countries	**4,298**	926
	29,492	31,805

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

Non-current assets other than financial instruments

	2016	2015
	HK$'000	*HK$'000*
Hong Kong	**114,878**	178,617
China	**351,671**	–

Information about major investments:

During the Year, performance premium received from one of the Group's unlisted investments and dividend income received from one of the Group's unlisted investments which individually accounted for 10% or more of the Group's total revenue amounted to approximately HK$15,504,000 (2015: HK$15,525,000) and HK$4,298,000 (2015: HK$7,674,000) respectively.

5. TAXATION

Hong Kong

(a) Hong Kong Profits Tax has been provided at a rate of 16.5% (2015: 16.5%) on the estimated assessable profit for the Year. Taxation on overseas profit has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in that overseas country.

	2016	2015
	HK$'000	*HK$'000*
Hong Kong Profits Tax	**–**	4,714
Over-provision of Hong Kong Profits Tax for previous year	**(20)**	–
	(20)	4,714

(b) The reconciliation between the income tax and the product of profit before tax multiplied by the domestic tax rates applicable to profits of the consolidated entities is as follows:

	2016	2015
	HK$'000	*HK$'000*
Profit before tax	**44,137**	1,763
Tax calculated at domestic tax rates applicable to profits in the respective countries	**7,283**	291
Tax effect of income that is not taxable	**(26,671)**	(20,042)
Tax effect of expenses that are not deductible	**17,664**	18,876
Tax effect of deemed taxable profits	**–**	4,994
Tax effect of temporary differences not recognised	**(11)**	(2)
Tax effect of tax losses not recognised	**2,326**	727
Tax effect of utilisation of tax losses not previously recognised	**(591)**	(130)
Over-provision of Hong Kong Profits Tax for previous year	**(20)**	–
Income tax	**(20)**	4,714

6. PROFIT/LOSS FOR THE YEAR

The Group's profit/loss for the Year is stated after charging the following:

	2016	2015
	HK$'000	*HK$'000*
Auditor's remuneration		
– Audit	**1,075**	861
– Others	**325**	285
	1,400	1,146
Depreciation	**17**	11
Investment management fee	**33,402**	19,557
Operating lease payments in respect of office premises	**4,416**	2,893
Staff costs (including directors' emoluments)		
Salaries and other benefits	**21,833**	17,719
Retirement benefits scheme contributions	**310**	227
Equity-settled share-based payments	**8,953**	1,142
	31,096	19,088

7. EARNINGS/LOSS PER SHARE

(a) Basic earnings/loss per share

Basic earnings or loss per share is calculated by dividing the profits or loss for the Year by the weighted average number of ordinary shares in issue during the Year.

	2016	2015
Profit/(loss) for the Year (HK$'000)	**44,157**	(2,951)
Weighted average number of ordinary shares in issue (in thousand)	**1,534,019**	941,397
Basic earnings/(loss) per share	**2.88 cents**	(0.31) cents

(b) Diluted earnings/loss per share

Diluted earnings/loss per share for both years were the same as the basic earnings/loss per share as the Company's outstanding share options had no dilutive effect for both years.

8. ACCOUNTS AND LOANS RECEIVABLE

	Note	**2016** **HK$'000**	2015 *HK$'000*
Accounts receivable	*(a)*	**3,877**	3,877
Amounts due from an associate	*(b)*	**28**	20
Amount due from related company	*(b)*	**–**	2
Loan to an associate	*(c)*	**–**	1,500
Other loan	*(d)*	**–**	3,000
		3,905	8,399
Analysed as:			
Current assets		**3,905**	8,399

(a) At 31 March 2016, the Group's accounts receivable represented performance premium receivable from an investment partner. The Group does not hold any collateral or other credit enhancements over the accounts receivable. The aging analysis of accounts receivable based on the invoice date is as follows:

	2016 **HK$'000**	2015 *HK$'000*
Unbilled	**3,877**	3,877

Unbilled accounts receivable represents performance premium recognised throughout the Year. It will be billed in arrear at the end of each calendar year.

At 31 March 2016 and 2015, the accounts receivable was neither past due nor impaired.

(b) Amounts due from an associate and a related company arise mainly from administrative expenses paid by the Group on behalf of the associate and the related company. The amounts are unsecured, interest-free and repayable on demand.

(c) On 1 July 2014, a shareholders' loan supplementary agreement was signed by all shareholders of the associate. Pursuant to this agreement, the loan to the associate is unsecured, interest-free and not repayable until 31 December 2015. It was fully settled during the Year.

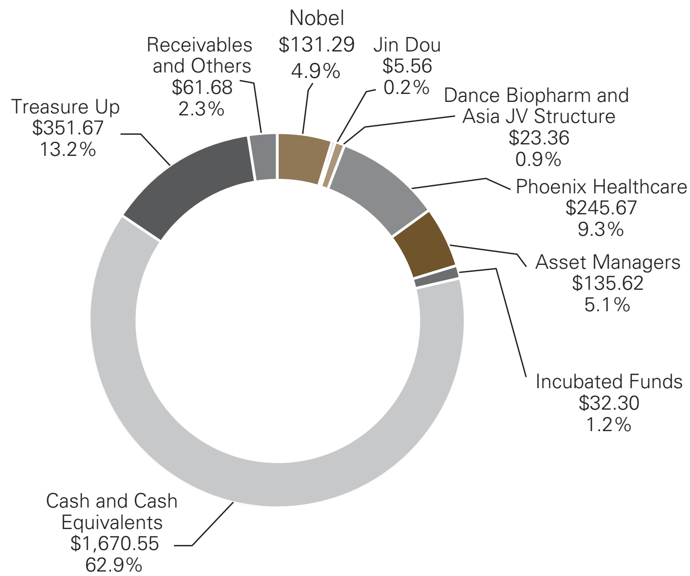
(d) Other loan represents loan to the major shareholder of one of the Group's associates. On 1 July 2014, a supplementary loan agreement was signed by this major shareholder and the Group. Pursuant to this agreement, other loan is unsecured, interest bearing at 5% per annum and not repayable until 31 December 2015. It was fully settled during the Year.

9. NET ASSET VALUE PER SHARE

The net asset value per share is calculated by dividing the net asset value of the Group at 31 March 2016 of approximately HK$2,638,343,000 (2015: HK$1,266,856,000) by the number of ordinary shares in issue at that date, being 1,841,396,000 (2015: 941,396,000).

Investment Holdings by Source

(HK$ millions, as a percentage of total assets)



INVESTMENT REVIEW

The Group's investment portfolio performed relatively well during the Year. The Group's profit for the Year amounted to HK$44.16 million, which is mainly attributable to the positive returns from the disposal of Zhonghui and Technovator, redemption of an incubated fund and share of results of CSOP.

Nobel

In 2008, OP Financial invested alongside China Investment Corporation ("CIC") in Nobel Holdings Investments Ltd. ("Nobel"), an independent upstream oil producer in Russia. Nobel's principal assets include nine subsoil licenses covering seven oil fields and two exploration areas.

During the Year, global oil prices continue to remain volatile amid concerns of global oversupply and the weak global economic outlook. Brent Oil price dropped below US$40 per barrel at the end of 2015, down more than 60% from the high in the summer of 2014. Russia was in discussions with the OPEC members and other key producers about measures to stabilise oil prices. A consensus was reached with Saudi Arabia to free oil output at near-record levels in February 2016. According to the data of Oil Market Report published by International Energy Agency in April 2016, there is a steady oil demand growth and a falling non-OPEC supply (except for the Russian Federation) in the market.

The oil price at its current level exerts significant pressure on oil production companies. In response, Nobel reduced its oil output from 652,147 tons to 606,368 tons to preserve current oil reserves in 2015. Nobel continued to control the cost to cope with thin operating margins and a depreciated Ruble. The fair value of Nobel dropped from HK$162.06 million to HK$131.29 million.

Jin Dou

OP Financial invested in a Kazakhstan agriculture project named Jin Dou with CIC in 2009, mandated to diversify the country's crops and commercialise regional production such as non-genetically modified soybeans for export. OP Financial committed a total of US$15 million, of which only US$1.50 million was drawn. While the position fell from HK$6.30 million to HK$5.56 million, the Group's investment in Jin Dou remains positive after taking into account the performance premiums received since inception.

Treasure Up Ventures Limited

In January 2016, OP Financial invested in 25% of equity interest in Treasure Up Ventures Limited ("Treasure Up") for a total of US$45.17 million through a combination of equity capital and shareholder loan. Treasure Up participates in a 15.3% investment in Beijing International Trust Co., Ltd. ("BITIC"), which translated to a 3.8% indirect interest of OP Financial in BITIC.

BITIC is a leading trust company engaging in trust and investment fund business in China. According to the statistics released by the China Trustee Association in February 2016, assets under management at the country's 68 trust companies were worth RMB16.3 trillion at the end of 2015, an increase of 16.6% as compared to 2014. BITIC ranked 21st out of 68 trust companies based on comprehensive measures in 2015. As at 31 December 2015, BITIC's net asset value reached RMB6.99 billion. Its asset under management of trust plans were boosted to RMB206.4 billion. BITIC generates stable income and maintains 50% of net profit margins for four consecutive years from 2012 to 2015. The investment creates synergies with OP Financial's investments in financial services platforms.

Asset Managers

OP Financial has non-controlling positions in four (2015: five) asset management companies. The two major positions are CSOP Asset Management Limited ("CSOP") and OP Investment Management ("OPIM").

CSOP

In 2008, OP Financial and China Southern Asset Management Co. Ltd ("China Southern") were given approval by the China Securities Regulatory Commission ("CSRC") to set up an asset management joint venture company in Hong Kong. CSOP Asset Management Limited ("CSOP") was founded and started managing private and public funds as well as providing investment advisory services to global investors. CSOP holds the world's largest Renminbi RQFII quota of RMB46.10 billion (equivalent to approximately US$7.01 billion).

The carrying value of the Group's CSOP position was HK$104.68 million as at 31 March 2016. In May 2015, CSOP distributed a dividend of HK$45.28 million. Taking into account the dividend distributions up to May 2016, it represents a 13.42% year-on-year increase and exceeds 2.5 times the initial investment cost.

CSOP is a market leader in RQFII ETF market. Its ETF products accounted for about 65% of all RQFII ETFs in terms of AUM while their turnover and trading volume accounted for about 75% total turnover in the RQFII ETF market. During the Year, a wide variety of equal weighted index ETF products was launched by CSOP, including CSOP MSCI T50 ETF to track the largest 50 internet giants listed in Hong Kong and United States and CSOP China Chinext ETF to track the China GEM Index. ETFs in Asia continue to see huge inflows. In Q1 2016, CSOP/China Southern gathered US$1.18 Billion net ETF/ETP inflows and being the largest net YTD, according to an industry report released by ETFGI, an independent research and consultancy firm.

Given the favorable market outlook and leading position of CSOP, the Group believes CSOP will continue to promise high returns. OP Financial will hold this position as one of the core investments in its financial services platform.

OPIM

OPIM, comprising OP Investment Management (Cayman) Limited and OP Investment Management Limited, is an asset management platform which serves Asian-based managers to develop emerging funds across diversified strategies.

Asia-Pacific as a destination for hedge fund management has been expanding rapidly over the past few years. Hong Kong is establishing itself to be the leading asset management hub in the region. According to the statistics of Preqin's hedge fund reports, assets under management of the hedge fund industry in Hong Kong reaches US$67 billion in March 2016, an increase of approximately 10% compared to last year.

With a fast moving industry landscape, OPIM builds a proprietary platform to help managers launching new funds with lower AUM thresholds for fast and affordable fund structures. OPIM has partnered with several PRC fund managers to expand their product base offshore and fulfill onshore investors' demands in global allocation. During the Year, OPIM issued new class of preference shares for the establishment of the proprietary platform. The Group's investment position via ordinary shares and preference shares as at 31 March 2016 increased to HK$23.89 million.

Incubated Funds

OP Financial invested in a portfolio of unlisted investment funds as part of a larger strategy to incubate new funds developed through OP Financial's partnership. In January 2016, OP Financial subscribed a limited partnership interest in Zhong Wei Capital L.P. with an investment commitment of US$2 million. As a venture capital fund, Zhong Wei Capital's current portfolio includes positions in mobile payment, new energy and travel industries. Meanwhile, OP Financial gradually redeems its seed capital from those funds which have become more established. The total fund invested by OPIM decreased from HK$135.50 million to HK$29.38 million primarily due the redemption of established funds. During the Year, the Group recorded a realised gain on redemption of investment funds of HK$15.27 million.

Phoenix Healthcare

OP Financial invested HK$199.08 million or 3.4% interest in Phoenix Healthcare Group ("Phoenix Healthcare", Stock Code: 1515) as its listed portfolio company in the first quarter of 2016. Phoenix Healthcare is the largest private hospital group in China in terms of number of beds under operation. Phoenix Healthcare owns and operates hospitals and clinics, and offers a range of healthcare services from primary preventive care to acute care and post-operative rehabilitation. China is determined to strengthen the healthcare servicing ability of medical institutes at lower tiers. OP Financial believes Phoenix Healthcare will benefit from the favorable policies and strong demand driven by offering management services to more public hospitals at lower tiers.

Zhonghui

OP Financial made a special situation investment of HK$197 million through a limited investment partnership in January 2015, which was an interim financing arrangement for the purchase of Zhonghui Plaza in Beijing. The investment attached with call/put options from the controlling shareholder of Zhonghui Plaza's property developer. During the Year, the call option was exercised and the interim financing was fully repaid. The Group recognised the distribution of HK$88.65 million of which HK$66.82 million from capital return on this project is recognised.

FINANCIAL REVIEW

Financial position

Net asset value: The Group's net assets as at 31 March 2016 increased 108.26% from HK$1.27 billion to HK$2.64 billion during the Year. The NAV per share increased from HK$1.35 to HK$1.43.

Gearing: The gearing ratio, which is calculated on the basis of total liabilities over total equity as at 31 March 2016, was 0.01 (31 March 2015: 0.02). We managed to maintain our low leverage policy for our investments.

Investments accounted for using equity method: It represents mainly our share of net assets of asset management companies and new interest in Treasure Up, which participates in an investment in Beijing International Trust Co., Ltd.. Assets increased by 16.40% to HK$466.45 million as at 31 March 2016 (31 March 2015: HK$400.75 million) reflecting our new investment position in Treasure Up.

Available-for-sale financial assets: A 9.61% decrease from HK$213.20 million to HK$192.72 million during the Year was mainly the result of (i) decline in our position with Nobel of HK$30.77 million and (ii) increase in our position with OPIM of HK$4.11 million.

Financial assets at fair value through profit or loss: An increase from HK$155.69 million to HK$283.53 million during the Year was mainly the net results of (i) a new investment in Phoenix Healthcare of HK$199.08 million, and (ii) a redemption of HK$94.73 million from Miran Multi-Strategy Fund.

Bank and cash balances: During the Year, bank and cash balances increased from HK$513.38 million to HK$1.67 billion, mainly attributable to (i) the completion of a placement of the 900 million new shares to raise net proceeds of HK$1.32 billion; (ii) distribution from Zhonghui and investment funds; and (iii) new investment in Treasure Up and Phoenix Healthcare.

RESULTS

The Group was profitable during the Year. The total comprehensive income amounted to a gain of HK$39.65 million compared to a loss of HK$13.85 million last year. These are primarily due to the distribution from capital return on Zhonghui, gains from disposal of Technovator, redemption of an incubated fund as well as share of results of associates, including CSOP, which together offset the decrease in fair value of available-for-sale financial assets.

Consolidated statement of profit or loss and other comprehensive income

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

	2016	2015
	HK$'000	*HK$'000*
Dividend income from unlisted investments(1)	**4,493**	9,099
Performance premium from an investment partner(2)	**15,504**	15,525
Interest income(3)	**9,495**	7,181
	29,492	31,805

(1) Dividends received from Real Estate Opportunity Capital Fund and Changhong Jiahua Holdings Ltd during the Year.

(2) CIC, the investment partner in both agriculture partnership and Nobel, awarded OPFI performance premiums in return for our resources allocated to the agriculture partnership – Jin Dou.

(3) Interest income is mainly generated from term deposits in banks.

Net change in unrealised gain/loss on financial assets at fair value through profit or loss: The net change in unrealised gain of HK$17.38 million (2015: gain of HK$11.58 million) mainly represents the net result of (i) the net unrealised gain on listed shares of HK$48.80 million; (ii) the net unrealised losses on investment funds of HK$10.46 million; and (iii) the transfer out of net unrealised gain of HK$13.69 million on incubated funds and HK$7.27 million on Technovator.

Net realised gain on disposal of investments: This mainly represents (i) the realised gain of HK$15.27 million on redemption of Miran Multi-Strategy Fund; (ii) the realised gain of HK$7.27 million on disposal of Technovator; and (iii) the realised gain of HK$66.82 million on disposal of Grand Central Tian Di L.P..

Impairment loss on available-for-sale financial assets: The HK$34.33 million loss represents the further impairment on Nobel and one of our listed securities, Kaisun Energy Group Limited (Stock Code: 8203).

Equity-settled share-based payments: This represents the net value of share options vested and forfeited during the Year. These share options were granted to certain directors, employees and consultants on 20 April 2010 and 22 May 2015 respectively, which are vested over five years from the grant date.

Operating and administrative expenses: The total amount of HK$71.31 million is mainly the result of investment management fee and staff costs.

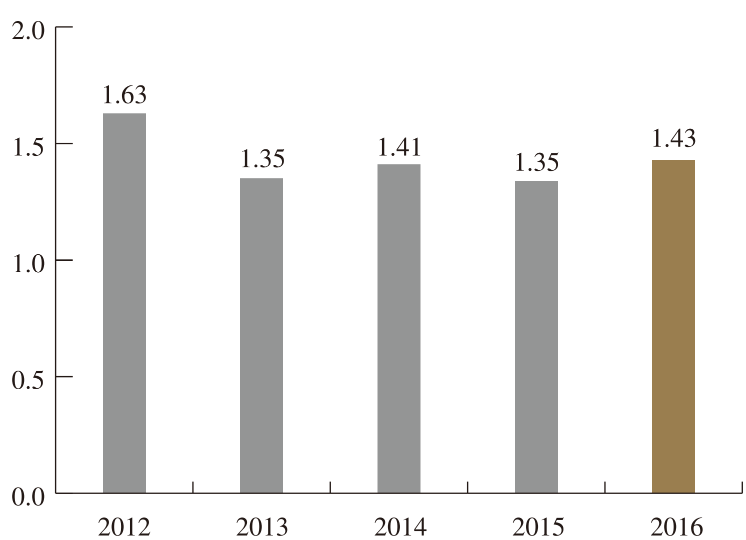
Share of results of investments accounted for using equity method: a net amount of approximately HK$23.92 million (2015: HK$89.52 million) accounted for our share of results of the investments, including a gain of HK$24.71 million attributable to CSOP.

Other comprehensive income: Changes to the Group's NAV, otherwise not accounted for in "profit for the Year", are found in "other comprehensive income". The loss of HK$4.50 million is net of (i) decrease in fair value of available-for-sale financial assets by HK$36.44 million, mainly represents decrease in value of equity interest in Nobel of HK$30.77 million; (ii) impairment losses on available-for-sale financial assets of HK$34.33 million transferred to profit or loss; and (iii) decrease in share of other comprehensive income of investments accounted for using equity method by HK$2.39 million. Combining with the "profit for the Year", the total comprehensive income for the Year was a gain of HK$39.65 million.

Fair value changes recognised in Other Comprehensive Income:

	2016	2015
	HK$'000	*HK$'000*
Nobel	**(30,767)**	(40,027)
Kaisun	**(3,567)**	(5,417)
OPIM	**4,112**	(38,430)
Jin Dou	**(736)**	(521)
Dance Biopharm	**(4,311)**	(7,170)
Technovator	**–**	(7,607)
OP Vision	**(1,175)**	–
Fair value decrease	**(36,444)**	(99,172)

NAV Per Share in HK$



DIVIDEND POLICY AND PROPOSED FINAL DIVIDEND

No interim dividend was paid during the Year (2015: nil).

The Directors recommend the payment of a final dividend of HK2.5 cents (2015: nil) per share in respect of the Year to shareholders whose names appear on the Register of Members of the Company at the close of business on Wednesday, 7 September 2016. The proposed final dividend will be paid on Thursday, 15 September 2016 following approval at the forthcoming annual general meeting of the Company.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the proposed final dividend for the Year (subject to approval by shareholders of the Company at the forthcoming annual general meeting), the register of members of the Company will be closed from 7 September 2016 to 9 September 2016, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:00 p.m. on 6 September 2016.

LIQUIDITY AND FINANCIAL RESOURCES

Dividend income from investments held, performance premiums, and interest income from bank deposits and financial instruments held are currently the Group's major source of revenue. During the Year, the Group continued to maintain a significant balance of cash and cash equivalents. As at 31 March 2016, the Group had cash and bank balances of HK$1.67 billion (31 March 2015: HK$513.38 million). The Group had no bank borrowings and did not pledge any assets as collateral for overdrafts or other loan facilities during the Year under review. The debt-to-equity ratio (interest bearing external borrowings divided by shareholders' equity) stood at zero while the current ratio (current assets divided by current liabilities) was 103 times (2015: 26 times). For further analysis of the Group's cash position, current assets and gearing, please refer to paragraphs under sub-sections headed "Financial Position" above. The Board believes that the Group has sufficient financial resources to satisfy its immediate investments and working capital requirements.

CAPITAL STRUCTURE

As at 31 March 2016, the Group's shareholders' equity and total number of shares in issue for the Company stood at HK$2.64 billion (2015: HK$1.27 billion) and 1,841,396,000 (2015: 941,396,000) respectively.

MATERIAL ACQUISITIONS AND DISPOSALS OF INVESTMENTS

The Group had the following material acquisitions and disposals of investments during the Year.

- New investment of HK$351.67 million in Treasure Up
- New investment of HK$199.08 million in Phoenix Healthcare listed shares
- Return of its attributable capital and distribution of HK$285.65 million from Zhonghui
- Redemption of HK$94.73 million from Miran Multi-Strategy Fund
- Disposal of HK$16.84 million of Technovator listed shares

SEGMENT INFORMATION

Segment information of the Group is set out in note 4 on pages 6 and 7 of this announcement.

EMPLOYEES

During the Year, the Group had 34 (2015: 27) employees, inclusive of all directors of the Group. Total staff costs for the Year amounted to HK$31.10 million (2015: HK$19.09 million). The Group's remuneration policies are in line with the market practice and are determined on the basis of the performance and experience of individual employee.

SHARE OPTION SCHEME

During the Year, the Group has recognised HK$8,953,000 (2015: HK$1,142,000) in the profit or loss as shared-based compensation expenses regarding the share options granted.

During the Year, certain vested share options have been lapsed and a total of HK$11,427,000 has been transferred to retained profits under the Share Option Scheme.

During the year ended 31 March 2015, certain vested option grantees ceased their services to the Group and a total of HK$1,705,000 has been transferred to retained profits under the Share Option Scheme.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

At 31 March 2016, the Group had exposure to foreign exchange fluctuation from its bank balances. These bank balances were denominated in RMB and the maximum exposure to foreign currency risk was RMB55,000, equivalent to HK$66,000 (at 31 March 2015: RMB691,000, equivalent to HK$864,000).

At 31 March 2016, the Group held certain financial assets which were denominated in USD. The Board is of the opinion that the Group's exposure to USD foreign currency risk is minimal as HKD was pegged to USD by the Hong Kong's Linked Exchange Rate System.

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

As at 31 March 2016, there were no charges on the Group's assets and the Group did not have any significant contingent liabilities.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS AND THEIR EXPECTED SOURCES OF FUNDING

As at 31 March 2016, there were no plans for material investments or capital assets, but the Company may, at any point, be negotiating potential investments. The Company considers new investments as part of its normal business, and therefore management may publically announce these plans as they become necessarily disclosable to shareholders during the course of the financial year.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

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

EVENTS AFTER THE REPORTING PERIOD

On 17 May 2016, the Company adopted a new share option scheme following the approval of such at the extraordinary general meeting held on 13 May 2016.

On 20 May 2016, the Company granted 51,000,000 share options ("Options") to certain eligible grantees of the Company and its subsidiaries ("Grantees") under the share option scheme adopted on 17 May 2016, subject to the acceptance of the offer by the Grantees. The grant acted as the replacement of share options cancelled on 29 February 2016 and they shall entitle the Grantees to subscribe for a total of 51,000,000 new ordinary shares of HK$0.1 each in the share capital of the Company. The exercise price was set at HK$1.65 per share.

CORPORATE GOVERNANCE CODE ("CG CODE") COMPLIANCE

Except otherwise stated herein, none of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not, at any time during the Year, in compliance with the CG Code.

As mentioned in the Company's interim report for the period from 1 April 2015 to 30 September 2015 and that Code Provision A.6.7 of the CG Code provided that, the independent non-executive directors and other non-executive directors, as equal Board members, should give the Board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings and develop a balanced understanding of the views of shareholders. During the Year, all Directors attended the annual general meeting of the Company which was held on 27 August 2015. However, one of the independent non-executive Directors ("INEDs"), namely, Mr. Wang Xiaojun, did not attend the extraordinary general meeting of the Company which was held on 16 July 2015 ("EGM") due to other business commitment on urgent basis. Despite the fact that Mr. Wang Xiaojun did not attend the EGM, all executive Directors, namely Mr. Zhang Zhi Ping and Mr. Zhang Gaobo and all other INEDs, namely Mr. Kwong Che Keung Gordon and Prof. He Jia did attend the EGM.

AUDIT COMMITTEE

The Company established an audit committee ("Audit Committee") in accordance with Rule 3.21 of the Listing Rules. Amongst other duties, the principal duties of the Audit Committee are to review the interim and annual results and risk management and internal control systems of the Company.

The Audit Committee comprises three INEDs, namely, Mr. Kwong Che Keung, Gordon, Prof. He Jia and Mr. Wang Xiaojun. Mr. Kwong Che Keung, Gordon is the chairman of the Audit Committee.

The audited consolidated financial statements for the Year have been reviewed by the Audit Committee.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted a "Policy for Director and Employee Dealings in the Company's Securities" which supplements the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 of the Listing Rules and is available on the Company's website. Following specific enquiry by the Company, all Directors have confirmed, that they have fully complied with the Model Code and the aforesaid internal policy regarding directors' securities transactions throughout the Year.

REVIEW OF THE ANNUAL RESULTS ANNOUNCEMENT BY AUDITOR

The figures in respect of the annual results announcement of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the 2016 Financial Year have been agreed by the Group's auditor, Messrs. PricewaterhouseCoopers, to the amounts set in the Group's audited consolidated financial statements for the 2016 Financial Year. The work performed by Messrs. PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. PricewaterhouseCoopers on the annual results announcement.

FORWARD-LOOKING STATEMENTS

This announcement contains certain statements that are forward-looking or which use certain forward-looking terminologies. These forward-looking statements are based on the current beliefs, assumptions and expectations of the Board of Directors of the Company regarding the industry and markets in which it invests. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company's control which may cause actual results or performance to differ materially from those expressed or implied in such forward-looking statements.

PUBLICATION OF FINANCIAL INFORMATION

This results announcement is published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.opfin.com.hk). The Group's annual report for the Year will be dispatched to the shareholders of the Company and available on the above websites in due course.

By order of the Board
OP Financial Investments Limited
Zhang Gaobo
Executive Director and CEO

Hong Kong SAR, 27 June 2016

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Zhang Zhi Ping and Mr. Zhang Gaobo; one non-executive Director, namely Dr. Liu Zhiwei and three independent non-executive Directors, namely, Mr. Kwong Che Keung, Gordon, Professor He Jia and Mr. Wang Xiaojun.