



CHINA INVESTMENT DEVELOPMENT LIMITED

中國投資開發有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)  
(Stock code: 204)

Successful  
Directions

INTERIM  
REPORT  
2016

## CORPORATION INFORMATION

### BOARD OF DIRECTORS

#### Executive Director

Mr. Chan Cheong Yee  
Mr. Zhang Xuming (*Chief Executive Officer*)

#### Non-executive Director

Mr. Chen Yin (*Chairman*)

#### Independent Non-executive Directors

Mr. Fong Wo, Felix  
Mr. Leung Wing Kin  
Mr. Leung Chi Kong

### AUDIT COMMITTEE

Mr. Leung Chi Kong (*Chairman*)  
Mr. Fong Wo, Felix  
Mr. Leung Wing Kin

### REMUNERATION COMMITTEE

Mr. Fong Wo, Felix (*Chairman*)  
Mr. Chen Yin  
Mr. Leung Wing Kin  
Mr. Leung Chi Kong

### NOMINATION COMMITTEE

Mr. Fong Wo, Felix (*Chairman*)  
Mr. Chen Yin  
Mr. Leung Wing Kin  
Mr. Leung Chi Kong

### RISK MANAGEMENT COMMITTEE

Mr. Leung Wing Kin (*Chairman*)  
Mr. Zhang Xuming  
Mr. Fong Wo, Felix  
Mr. Leung Chi Kong  
\*Mr. Liu Jiazhen (*Co-opted*)

### COMPANY SECRETARY

Mr. Liu Jiazhen

### INVESTMENT MANAGER

China Everbright Securities (HK) Limited

### PRINCIPAL BANKERS

Dah Sing Bank, Limited  
China Citic Bank International Limited  
Bank of Communication

### AUDITORS

BDO Limited  
*Certified Public Accountants*

### LEGAL ADVISERS

**Hong Kong Law**  
Michael Li & Co.

### Bermuda Law

Conyers Dill & Pearman

### PRINCIPAL SHARE REGISTRAR

MUFG Fund Service (Bermuda) Limited  
The Belvedere Building  
69 Pitts Bay Road, Pembroke HM08  
Bermuda

### BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited  
Suites 3301-04, 33/F.  
Two Chinachem Exchange Square,  
338 King's Road,  
North Point, Hong Kong

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### PRINCIPAL PLACE OF BUSINESS

Suites 2706-07, 27/F  
Dah Sing Financial Center  
108 Gloucester Road  
Wanchai, Hong Kong

### WEBSITE

[www.cidl.com.hk](http://www.cidl.com.hk)

### STOCK CODE

204

## INTERIM RESULTS

The board of directors (the “Board”) of China Investment Development Limited (the “Company”) hereby announced the unaudited results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2016 (the “Period”) together with the comparative figures for the corresponding period in 2015. The unaudited results for the Period have been reviewed by the Company’s Audit Committee and are as follows:

### CONDENSED CONSOLIDATED INCOME STATEMENT

*For the six months ended 30 September 2016*

		<b>Six months ended</b>	
		<b>30 September</b>	
		<b>2016</b>	2015
	Note	<b>HK\$'000</b>	HK\$'000
		<b>(unaudited)</b>	(unaudited)
Revenue	4	<b>392</b>	316
Other income	4	<b>84</b>	52
Change in fair value of financial assets at fair value through profit or loss		<b>(172)</b>	24,732
Net realised gain/(loss) on disposals of financial assets at fair value through profit or loss		<b>1,903</b>	(425)
Administrative expenses		<b>(7,650)</b>	(7,329)
Share of profit of an associate		<b>–</b>	1
(Loss)/Profit before income tax expense	5	<b>(5,443)</b>	17,347
Income tax expense	6	<b>–</b>	–
(Loss)/Profit for the period attributable to owners of the Company		<b>(5,443)</b>	17,347
Dividend	7	<b>–</b>	–
<b>(Loss)/Profit per share</b>			
Basic (HK cents per share)	8	<b>(0.06)</b>	0.21
Diluted (HK cents per share)	8	<b>(0.06)</b>	0.18
Proceeds from disposals of financial assets at fair value through profit or loss		<b>40,610</b>	39,527

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME***For the six months ended 30 September 2016*

	<b>Six months ended 30 September</b>	
	<b>2016</b>	2015
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
(Loss)/Profit for the period attributable to owners of the Company	<b>(5,443)</b>	17,347
<b>Other comprehensive expenses:</b>		
Change in fair value of available-for-sale financial assets	<b>(1,751)</b>	(10,377)
Exchange difference arising from an associate during the period	<b>(50)</b>	(127)
Other comprehensive expenses for the period, net of tax	<b>(1,801)</b>	(10,504)
Total comprehensive (expenses)/income attributable to owners of the Company	<b>(7,244)</b>	6,843

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION***As at 30 September 2016*

	Note	<b>30 September 2016 HK\$'000 (unaudited)</b>	31 March 2016 HK\$'000 (audited)
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>914</b>	1,115
Interest in an associate	9	<b>5,824</b>	5,874
Available-for-sale financial asset	10	<b>101,724</b>	93,475
		<b>108,462</b>	100,464
<b>Current assets</b>			
Financial assets at fair value through profit or loss	11	<b>53,095</b>	38,235
Other receivables, deposits and prepayments		<b>61,173</b>	61,294
Bank and cash balances		<b>46,397</b>	88,814
		<b>160,665</b>	188,343
<b>Current liabilities</b>			
Other payables and accrued charges		<b>1,094</b>	2,389
		<b>1,094</b>	2,389
<b>Net current assets</b>		<b>159,571</b>	185,954
<b>Net assets</b>		<b>268,033</b>	286,418
<b>EQUITY</b>			
Equity attributable to owners of the Company			
Share capital	12	<b>8,928</b>	8,937
Reserves		<b>259,105</b>	277,481
<b>Total equity</b>		<b>268,033</b>	286,418
<b>Net asset value per share</b>	13	<b>HK\$0.030</b>	HK\$0.032

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY***For the six months ended 30 September 2016*

	Share capital HK\$'000	Share premium HK\$'000	Investment revaluation reserve HK\$'000	Share option reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 April 2016 (audited)	8,937	354,658	38,960	123,411	(163)	(239,385)	286,418
Cancellation of Share	(9)	(945)	–	–	–	–	(954)
Share Repurchased	–	(10,187)	–	–	–	–	(10,187)
Loss for the Period	–	–	–	–	–	(5,443)	(5,443)
Other comprehensive income							
– Change in fair value of available-for-sale financial assets	–	–	(1,751)	–	–	–	(1,751)
– Exchange difference arising from an associate during the Period	–	–	–	–	(50)	–	(50)
At 30 September 2016 (unaudited)	8,928	343,526	37,209	123,411	(213)	(244,828)	268,033
At 1 April 2015 (audited)	8,343	265,018	7,659	123,411	47	(215,411)	189,067
Share issued in acquisition of investment	24	7,975	–	–	–	–	7,999
Gain for the Period	–	–	–	–	–	17,347	17,347
Other comprehensive income							
– Change in fair value of available-for-sale financial assets	–	–	(10,377)	–	–	–	(10,377)
– Exchange difference arising from an associate during the Period	–	–	–	–	(127)	–	(127)
At 30 September 2015 (unaudited)	8,367	272,993	(2,718)	123,411	(80)	(198,064)	203,909

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS***For the six months ended 30 September 2016*

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2016</b>	2015
	<b>HK'000</b>	HK'000
	<b>(unaudited)</b>	(unaudited)
Net cash (used in)/generated from operating activities	<b>(21,269)</b>	20,140
Net cash (used in)/generated from investing activities	<b>(10,007)</b>	131
Net cash used in financing activities	<b>(11,141)</b>	(6,575)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(42,417)</b>	13,696
<b>Cash and cash equivalents at 1 April</b>	<b>88,814</b>	2,193
<b>Cash and cash equivalents at 30 September</b>	<b>46,397</b>	15,889
<b>Analysis of the balance of cash and cash equivalents</b>		
Bank balances	<b>46,397</b>	15,889
Fixed deposits	—	—



## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 September 2016*

### **1. GENERAL INFORMATION**

China Investment Development Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability on 25 March 1998 and was de-registered on 11 March 2011 and was registered by way of continuation as an exempted company in Bermuda on 2 March 2011. The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 12 December 2000. Its registered office is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal office in Hong Kong is located at Suites 2706-2707, 27/F, Dah Sing Financial Center, 108 Gloucester Road, Wanchai, Hong Kong.

The Company is principally engaged in investment holding for medium to long-term capital appreciation purposes, and investment in listed and unlisted securities.

### **2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31 March 2016 which has been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”). The accounting policies and basis of preparation used in the preparation of unaudited condensed consolidated financial statements are consistent with those applied in the Company’s audited consolidated financial statements for the year ended 31 March 2016. The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as appropriate.



Except for the adoption of new and revised HKFRSs issued by the HKICPA, which are effective for the Group's financial year beginning on 1 April 2016, the significant judgement in applying accounting policies and the key sources of accounting estimates used in the unaudited condensed consolidated financial statements are consistent with those applied in the preparation of the Company's consolidated financial statements for the year ended 31 March 2016. The application of the new and revised HKFRSs have not had material impact on the results and financial positions of the Group for the current or prior accounting periods.

The Group has not yet early applied the new and revised HKFRSs that have been issued by the HKICPA but are not yet effective. The Group is in the process of assessing the potential impact of these new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs will have a significant impact on the Group's results of operations and financial position.

### 3. SEGMENT INFORMATION

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Group's chief operating decision maker in order to allocate resources and assess performance of the segment. For the six months ended 30 September 2016 and 2015, the information reported to the executive directors, who are the chief operating decision makers for the purpose of resource allocation and assessment of performance, does not contain profit or loss information of each business line or geographical area and the executive directors reviewed the financial result of the Group as a whole reported under HKFRSs. Therefore, the executive directors have determined that the Group has only one single business component/reportable segment as the Group is only engaged in investment holding. The executive directors allocate resources and assess performance on an aggregated basis. Accordingly, no operating segment is presented.

The following table provides an analysis of the Group's revenue and non-current assets including property, plant and equipment and interest in an associate (i.e. "specified non-current assets") by geographical locations, determined based on physical location of the assets or location of operations in case of interest in an associate and available-for-sale financial asset, is as follows:

	Revenue from external customers		Specified non-current assets	
	Six months ended 30 September 2016 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)	30 September 2016 HK\$'000 (unaudited)	31 March 2016 HK\$'000 (audited)
Hong Kong	392	316	914	1,115
Other regions of People's Republic of China (the "PRC")	–	–	5,824	5,874
	392	316	6,738	6,989

#### 4. REVENUE AND OTHER INCOME

An analysis of revenue and other income is as follows:

	<b>Six months ended 30 September</b>	
	<b>2016</b>	2015
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
Revenue:		
Interest income from assets at fair value through profit or loss	<b>301</b>	301
Dividend income from listed securities investments	<b>91</b>	15
	<b>392</b>	316
Other income:		
Bank interest income	<b>82</b>	15
Sundry income	<b>2</b>	37
	<b>84</b>	52
<b>Total revenue and other income</b>	<b>476</b>	368

## 5. (LOSS)/PROFIT BEFORE INCOME TAX EXPENSE

	<b>Six months ended 30 September</b>	
	<b>2016 HK\$'000 (unaudited)</b>	<b>2015 HK\$'000 (unaudited)</b>
Staff costs		
Salaries	<b>1,817</b>	2,003
Provident fund contributions	<b>47</b>	36
<b>Total staff costs excluding directors' remuneration</b>	<b>1,864</b>	2,039
Auditor's remuneration	<b>213</b>	185
Depreciation	<b>209</b>	135
Directors' remuneration	<b>840</b>	660
Investment managers' fee	<b>360</b>	360
Rent and rates	<b>1,281</b>	969

## 6. INCOME TAX EXPENSE

Hong Kong profits tax is calculated at 16.5% (six months ended 30 September 2015: 16.5%) on the estimated assessable profits for the period. Overseas tax is calculated at the rates applicable in the respective jurisdictions. No Hong Kong profits tax has been provided for the Period as the estimated assessable profits of the Group were offset by tax losses brought forward and the Group is not subject to tax in other jurisdictions for the Period (six months ended 30 September 2015: nil).

No deferred tax asset has been recognised in respect of the unused tax losses due to unpredictability of future profits streams.

## 7. DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 30 September 2016 (six months ended 30 September 2015: nil).

**8. (LOSS)/PROFIT PER SHARE**

The calculation of the basic and diluted (loss)/profit per share attributable to the ordinary equity holders of the Company is based on the following data:

	<b>Six months ended 30 September</b>	
	<b>2016</b>	2015
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
<b>(Loss)/Profit</b>		
(Loss)/Profit for the period attributable to owners of the Company for the purposes of basic and diluted (loss)/profit per share	<b>(5,443)</b>	17,347
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of basic (loss)/profit per share	<b>8,932,038,393</b>	8,355,302,083
Adjustment for share option granted	–	1,450,300,000
Weighted average number of ordinary shares for the purposes of diluted (loss)/profit per share	<b>8,932,038,393</b>	9,805,602,083

Diluted profit per share has been presented for the corresponding period in 2015.

## 9. INTEREST IN AN ASSOCIATE

	<b>30 September 2016 HK\$'000 (unaudited)</b>	31 March 2016 HK\$'000 (audited)
Cost of Investment in an associate	<b>6,080</b>	6,080
Exchange differences	<b>(213)</b>	(163)
Share of loss of an associate	<b>(43)</b>	(43)
	<b>5,824</b>	5,874

### Particulars of the associate are as follows:

Name of associate	Place of establishment/ operation	Form of business structure	Issued and fully paid registered capital	Percentage of equity held by the Group	Proportion of voting power	Principal activities
Bonicast Construction Material (Beijing) Co., Ltd.	PRC	Corporation	Registered RMB10,000,000	49%	20% <i>(note a)</i>	Trading of construction materials

#### Note:

The Group is able to exercise significant influence over Bonicast Construction Material (Beijing) Co., Ltd. because it has the power to appoint one out of five directors of that company under the articles of association of that company. No dividend was received during the six months ended 30 September 2016 (six months ended 30 September 2015: nil).

**10. AVAILABLE-FOR-SALE FINANCIAL ASSET**

	<b>30 September 2016 HK\$'000 (unaudited)</b>	31 March 2016 HK\$'000 (audited)
Unlisted equity securities, at fair value	<b>101,724</b>	93,475

**As at 30 September 2016, the Group held the following available-for-sale financial assets:**

Name of investee company	note	Place of incorporation	Percentage of effective interest held	Fair value HK\$'000	
				30.9.2016 (unaudited)	31.03.2016 (audited)
Tianjin Bao Xin Ying Precious Metal Management Limited	(a)	PRC	12.00%	<b>6,361</b>	7,168
Guang Zhou Shi Da Jian Credit Guarantee Limited	(b)	PRC	11.59%	<b>7,056</b>	6,663
China Petroleum Bio-energy Company Limited	(c)	Hong Kong	5.69%	<b>59,696</b>	60,815
Yenbo Gain Limited	(d)	BVI	18.18%	<b>15,071</b>	15,059
Perfect Worth Investment Limited	(e)	BVI	5.00%	<b>3,540</b>	3,770
Golden Resources Asia Limited	(f)	BVI	14%	<b>10,000</b>	N/A



*Notes:*

- (a) Tianjin Bao Xin Ying Precious Metal Management Limited is principally engaged in the trading of precious metals and gold products and investment advisory in Tianjin, the PRC. The initial cost of investment is HK\$6,590,000.
- (b) Guang Zhou Shi Da Jian Credit Guarantee Limited is principally engaged in providing credit guarantee service in the PRC. The initial cost of investment is HK\$9,800,000.
- (c) China Petroleum Bio-energy Company Limited and its subsidiaries are principally engaged in research, development and promotion of biomass energy and other agricultural related products. One of its subsidiary companies has obtained the development and operation right of a piece of land in Xinjiang Province, which is under construction and plantation of bio-oil crops and shelter belt plants. The initial cost of investment is HK\$24,400,000.
- (d) Yenbo Gain Limited is an investment holding company and its subsidiaries are principally engaged in cultivation and research of the fine and new varieties forest products together with the research and promotion of product cultivation technology for producing clean energy purposes. The initial cost of investment is HK\$13,092,000.
- (e) Perfect Worth Investment Limited is an investment holding company and its subsidiaries are principally engaged in the business of online distribution of footwear. The initial cost of investment is HK\$18,303,000.
- (f) Golden Resources Asia Limited is an investment holding company and its subsidiaries are principally engaged in the business of trading steel and its related products. The Company completed the investment in late August with the initial cost of investment of HK\$10,000,000.

The Group does not own or control more than 20% of the voting rights in any one of these investee companies. In the opinion of the directors, the Group is not able to exercise any significant influence on the financial and operating policies on these investee companies, and therefore all of these investments are not regarded as associates of the Group and are accounted for as available-for-sale financial assets for the period ended 30 September 2016.

## 11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>30 September 2016 HK\$'000 (unaudited)</b>	31 March 2016 HK\$'000 (audited)
Hong Kong listed securities, at market value (note a)	<b>28,623</b>	12,080
Investments in convertible bonds, at fair value (note b)	<b>24,472</b>	26,155
	<b>53,095</b>	38,235

### Notes

(a) As at 30 September 2016, the Group held the following Hong Kong listed securities:

<b>Name</b>	<b>Number of shares held</b>	<b>Percentage of interest held</b>	<b>Cost HK\$'000</b>	<b>Market value HK\$'000</b>
CITIC Limited (stock code: 00267.HK)	30,000 ordinary share	0.0001%	482	332
Echo International Holdings Group Limited (stock code: 08218.HK)	80,000 ordinary share	0.0000%	35	76
Concord New Energy Group Limited (stock code: 00182.HK)	2,420,000 ordinary share	0.0277%	1,001	980
Shandong Molong Petroleum Machinery Co., Limited (stock code: 00568.HK)	1,958,800 ordinary share	0.7648%	6,330	6,660
Haitong International Securities Group Limited (stock code: 00665.HK)	636,000 ordinary share	0.0119%	2,888	3,275

Name	Number of shares held	Percentage of interest held	Cost	Market value
			HK\$'000	HK\$'000
Huadian Fuxin Energy Corporation Limited (stock code: 00816.HK)	1,300,000 ordinary share	0.0505%	2,245	2,392
G-Resources Group Limited (stock code: 01051.HK)	2,682,000 ordinary share	0.0099%	375	384
Central China Securities Co., Limited (stock code: 01375.HK)	164,000 ordinary share	0.0001%	547	594
Guolian Securities Co., Limited (stock code: 01456.HK)	210,000 ordinary share	0.0474%	882	872
China Galaxy Securities Co., Limited (stock code: 06881.HK)	1,616,000 ordinary share	0.0438%	11,407	11,425
A.Plus Group Holdings Limited (stock code: 08251.HK)	3,300,000 ordinary share	0.0413%	1,000	1,634

The fair values of the Group's investment in listed equity securities are based on quoted market price.

- (b) On 22 December 2014, the Company invested in the 3% unsecured convertible bonds issued by Guanwan Investments Limited ("Guanwan") at a face value of HK\$20,000,000, bearing coupon interest rate of 3% per annum. Guanwan is an investment holding company which indirectly holds 100% shares of its subsidiary, 深圳金特嬌服裝有限公司 ("金特嬌"). 金特嬌 is principally engaging in designing, manufacturing and retail of women's dress in PRC. Each convertible bond due on 22 December 2017 is convertible into 24 fully paid ordinary shares of Guanwan with a par value of USD1.00 each at a conversion price of HK\$833,333 per conversion share. The Company can exercise the conversion at any time until the maturity date.

## 12. SHARE CAPITAL

	Number of ordinary shares of HK\$0.001 each	Nominal value HK\$'000
Authorised:		
At 31 March 2016 and 30 September 2016	100,000,000,000	100,000
Issued and fully paid:		
At 31 March 2016	8,936,757,294	8,936
Cancellation of Shares <i>(note)</i>	(8,420,000)	(8)
At 30 September 2016	8,928,337,294	8,928

*Note:*

On 20 May 2016, 8,420,000 shares were repurchased at HK\$0.114 per share and they were cancelled on 20 June 2016.

## 13. NET ASSET VALUE PER SHARE

Net asset value per share is calculated by dividing the net assets included in the condensed consolidated statement of financial position of approximately HK\$268,033,000 (31 March 2016: HK\$286,418,000) and the number of ordinary shares in issue as at 30 September 2016, being 8,928,337,294 (31 March 2016: 8,936,757,294).

## 14. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel, including the directors and other members of key management, during the Period is as follows:

	Six months ended 30 September 2016 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)
Salaries, equity-settled share-based payment, allowances and benefits in kind	1,869	1,340

- (b) During the Period, the Group entered into the following transactions with related parties:

Name of related party	Nature of transaction	Six months ended 30 September	
		2016 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)
China Everbright Securities (HK) Limited ("China Everbright")	Investment manager fee	360	360

## 15. OPERATING LEASE COMMITMENTS

At 30 September 2016, the minimum lease payments under non-cancellable operating leases for leased premise payable are as follows:

	30 September	
	2016 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)
Within one year	1,432	1,776
In the second to fifth years inclusive	16	790
	<b>1,448</b>	2,566

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Company and its subsidiaries are engaged in investment holding for medium to long-term capital appreciation purposes, and investment in listed and unlisted securities.

For the Period, the Group recorded a loss of approximately HK\$5,443,000, as against a profit of approximately HK\$17,347,000 for the corresponding period in 2015.

Loss per share for the Period was approximately HK\$0.06 cents (six months ended 30 September 2015: Profit per share of approximately HK0.21 cents). The net asset value per share of the Company was approximately HK\$0.030 (31 March 2016: approximately HK\$0.032) as at 30 September 2016.

The investment portfolio of the Group as at 30 September 2016 was summarized as follows:

	<b>Carrying value HK\$'000</b>	<b>Percentage of the total assets as at 30 September 2016</b>
Interest in an associate	5,824	2.16%
Available-for-sale financial asset	101,724	37.80%
Financial assets at fair value through profit or loss		
– Hong Kong listed equity securities, at market value	28,623	10.64%
– Investments in convertible bonds, at fair value	24,472	9.09%

## Financial Resources and Liquidity

As at 30 September 2016, the Group had cash and cash equivalents of approximately HK\$46,397,000 (31 March 2016: approximately HK\$88,814,000). The Group had net current assets and net assets of approximately HK\$159,571,000 (31 March 2016: HK\$185,954,000) and approximately HK\$268,033,000 (31 March 2016: HK\$286,418,000) respectively as at 30 September 2016. The Group had no bank and other borrowing as at 30 September 2016.

The current ratio, calculated on the basis of total current assets over total current liabilities, was approximately 146.86 (31 March 2016: 78.84) as at 30 September 2016.

## Interim Dividend

The Board of the Company does not recommend the payment of an interim dividend to the shareholders of the Company for the Period.

## Capital Structure

Details in the changes of the capital structure of the Company for the Period are set out in note 12 to the condensed consolidated financial statements. The capital of the Company comprises only ordinary shares as at 30 September 2016.

## Foreign Exchange Exposure

Most of the business transactions of the Group are denominated in Hong Kong dollars and Renminbi. The management of the Group will closely monitor the fluctuation in these currencies and take appropriate actions when needed. As at 30 September 2016, the Group did not engage in currency hedging nor did it adopt any formal hedging activities. The Group had not entered into any financial derivatives in currencies other than Hong Kong dollars during the Period.

## Pledge of Assets and Contingent Liabilities

As at 30 September 2016, there were no charges on the Group's assets and the Group did not have any contingent liabilities.

## Staff Cost

The Group's total staff costs (including directors' remuneration) amounted to approximately HK\$2,704,000 (six months ended 30 September 2015: HK\$2,699,000) for the Period. The employees were remunerated based on their responsibilities and performance.



## Prospect

During the Period, the decelerating PRC economy still remained uncertain as shrouded by the dim global sentiment and confidence. The decline in the PRC's GDP growth rate, the sustained depreciation of Renminbi (the "RMB") and the volatile PRC stock market have unsettled investors by creating concerns about unstable market returns.

The United Kingdom ("U.K.") voting to exit the European Union ("Brexit") has also increased the uncertainty of global financial market seriously, and the Pound has fallen to a 31-year low against the U.S. dollar. The impacts will linger as further discussions on the terms of the Brexit would take at least two more years to go.

Another "Black Swan" to the world is Donald Trump, the winner of 2016 U.S. presidential election, who propounded protectionism and claimed that he would rebuild the economies of America through aggressive terms and policies, such as improving the situation of American workers by imposing tariffs on goods from China. If such policies are implemented resolutely, the global economy and financial markets might be dragged into further uncertainty.

Although amid growing uncertainties, we expect the global economies will continue to divide in the next few years, and various investment opportunities may rise as the global investors try to relocate their equity or portfolio in a more stable and secure environment. The Hong Kong and China markets may be one of the ways out.

On the primary market, the PRC market continuously provides many investment opportunities such as "One Belt, One Road" strategy for international development and other innovative concepts "Internet Plus". On the secondary market, with the soon-to-be launched Shenzhen and Hong Kong stock connect, many believe this cross-border connect scheme will improve the mutual market access between the Hong Kong and mainland markets and reinforce Hong Kong's position as the leading offshore renminbi asset management centre. The depreciating RMB may help fuel the Hong Kong market with the south bound funds.

Looking ahead, the Group will maintain the prudent investment approach to explore opportunities, seek stable return amid volatile market condition, and ride on market trend at the right time. The Group will cater to the latest market development with flexible investment strategies, and strive to bring decent investment returns to its shareholders.

## DISCLOSURE OF INTERESTS AND OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2016, the interests and short positions held by the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, the "SFO") as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

#### Long positions in shares and underlying shares of the Company

Name of Director/ chief executive	Capacity in which interests are held	Number of shares/underlying shares held		Total interests	Approximate percentage of shareholding <i>(note 1)</i>
		Number of shares held	Number of shares issuable on Share options held		
Mr. Chen Yin <i>(note 2)</i>	Interest of controlled corporation	1,091,880,000	–	1,091,880,000	12.23%
	Beneficial owner	–	27,300,000	27,300,000	0.31%
Mr. Chan Cheong Yee	Beneficial owner	–	81,100,000	81,100,000	0.91%
Mr. Fong Wo, Felix	Beneficial owner	–	30,000,000	30,000,000	0.34%
Mr. Leung Wing Kin	Beneficial owner	–	10,000,000	10,000,000	0.11%
Mr. Leung Chi Kong	Beneficial owner	–	20,000,000	20,000,000	0.22%
Mr. Zhang Xuming <i>(note 3)</i>	Interest of controlled corporation	722,640,000	–	722,640,000	8.09%
	Beneficial owner	–	81,100,000	81,100,000	0.91%

*Notes:*

1. The percentage of shareholding is calculated on the basis of the Company's issued share capital of 8,928,337,294 shares as at 30 September 2016.
2. Mr. Chen Yin is deemed to have interests in 1,091,880,000 shares in the Company held by Micah Holdings Limited, a private company wholly-owned by Ms. Ji Jie, the spouse of Mr. Chen.
3. 722,640,000 shares are held by Salus Investments Limited, a company wholly and beneficially owned by Mr. Zhang Xuming, the executive director and chief executive officer of the Company.

Save as disclosed above, as at 30 September 2016, none of the Directors or chief executive of the Company had any interests or short positions in shares, underlying shares or debentures of the Company or any of 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 as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## SUBSTANTIAL SHAREHOLDERS

As at 30 September 2016, the following persons, other than a Director or chief executive of the Company, were interested or had short positions in more than 5% of the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

### Long positions in shares of the Company

Name of Shareholder	Capacity in which interests are held	Number of shares held	Approximate percentage of shareholding <i>(note 1)</i>
Micah Holdings Limited <i>(note 2)</i>	Beneficial owner	1,091,880,000	12.23%
Ms. Ji Jie	Interest of controlled corporation	1,091,880,000	12.23%
Salus Investments Limited <i>(note 3)</i>	Beneficial owner	722,640,000	8.09%

#### Notes:

1. The percentage of shareholding is calculated on the basis of the Company's issued share capital of 8,928,337,294 shares as at 30 September 2016.
2. Micah Holdings Limited is a private company wholly and beneficially owned by Ms. Ji Jie. Ms. Ji Jie is deemed to have interest in the shares held by Micah Holdings Limited.
3. Salus Investments Limited is a private company wholly and beneficially owned by Mr. Zhang Xuming, the chief executive officer of the Company.

Save as disclosed above, as at 30 September 2016, the Company was not notified of any persons, other than the Directors and the chief executive of the Company, having any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## SHARE OPTIONS

On 9 April 2009, the Company adopted a share option scheme (the “Scheme”) under which the Board may at its discretion grant any eligible participant share options, as it may determine appropriate. The Scheme is valid and effective for a period of ten years commencing on 9 April 2009, after which no further options may be offered or granted.

Movements of the share options of the Company during the Period are listed below:

Category	Date of grant	Exercise period	Exercise price per share HK\$	Number of share options				
				At 1 April 2016	Granted during the Period	Exercised during the Period	Lapsed during the Period	At 30 September 2016
Executive director	24 January 2014	24 January 2014 – 23 January 2019	0.1824	6,000,000	–	–	–	6,000,000
Non-executive director	24 January 2014	24 January 2014 – 23 January 2019	0.1824	2,600,000	–	–	–	2,600,000
Independent non-executive directors	24 January 2014	24 January 2014 – 23 January 2019	0.1824	1,000,000	–	–	–	1,000,000
Others	24 January 2014	24 January 2014 – 23 January 2019	0.1824	54,330,000	–	–	–	54,330,000
Executive director	16 September 2014	16 September 2014 – 15 September 2019	0.1560	2,110,000	–	–	–	2,110,000
Non-executive director	16 September 2014	16 September 2014 – 15 September 2019	0.1560	130,000	–	–	–	130,000
Independent non-executive directors	16 September 2014	16 September 2014 – 15 September 2019	0.1560	5,000,000	–	–	–	5,000,000
Others	16 September 2014	16 September 2014 – 15 September 2019	0.1560	73,860,000	–	–	–	73,860,000
<b>Total</b>				<b>145,030,000</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>145,030,000</b>

Save as disclosed above, the Company has no other options, warrant, derivatives, convertible notes or other securities of the Company convertible into or giving rights to subscribe for shares as at 30 September 2016.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Period, the Company repurchased a total of 114,900,000 shares on the Hong Kong Stock Exchange at an aggregate consideration (before expenses) of HK\$11,110,900.

Particulars of the repurchases are as follows:

Date	Number of shares repurchased	Purchase price		Aggregate consideration (before expense) (HK\$)
		Highest	Lowest	
		(HK\$)	(HK\$)	(HK\$)
20 May	8,420,000	0.114	0.113	954,000
4 July	7,800,000	0.111	0.108	853,780
5 July	50,280,000	0.111	0.090	5,108,860
25 July	30,900,000	0.097	0.086	2,795,640
26 July	17,500,000	0.083	0.077	1,398,620

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's shares during the Period.

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the Period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## CORPORATE GOVERNANCE PRACTICES

The Board is responsible for ensuring that high standards of corporate governance are maintained and for accounting to shareholders. During the Period, the Company complied with the Corporate Governance Code (the "CG Code") as contained in Appendix 14 to the Listing Rules except for the following deviations:

The code provision A.6.7 of the CG Code states that independent non-executive directors should also attend general meetings and develop a balanced understanding of the views of shareholders. One independent non-executive director was unable to attend the annual general meeting of the Company held on 31 August 2016 due to his other important engagement.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

During the Period, the Company complied with the code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Model Code in Appendix 10 to the Listing Rules. Having made specific enquiry to all directors, all directors confirmed that they had complied with the required standard of dealings and its code of conduct regarding securities transactions by directors throughout the Period.

## **SUFFICIENCY OF PUBLIC FLOAT**

According to the information that is publicly available to the Company and within the knowledge of the directors, the percentage of the Company's shares which were in the hands of the public was not less than 25% of the Company's total number of issued shares during the Period.

## **AUDIT COMMITTEE**

As at the date of this results announcement, the Audit Committee comprises three independent non-executive directors. The principal duties of the Audit Committee include the review and supervision of the Company's financial reporting system and internal control procedures and review of the Company's financial information.

The Group's unaudited interim financial information for the Period has been reviewed by the Audit Committee.

## **ACKNOWLEDGEMENT**

I would like to take this opportunity to express my sincere appreciation of the support from our shareholders. I would also like to thank my fellow directors for their valuable contribution and the staff members of the Group for their commitment and dedicated services throughout the Period.

By Order of the Board  
**China Investment Development Limited**  
**Chen Yin**  
*Chairman*

Hong Kong, 30 November 2016