



Insights · Value

Interim Report 2020 / 2021

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FORWARD-LOOKING STATEMENTS

This interim report 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.

NOTICE OF CHANGE OF COMPANY NAME

Since 8 December 2020, the English name of the Company has been changed from “**OP Financial Limited**” to “**Wealthking Investments Limited**”, and “**華科資本有限公司**” has been adopted as the Chinese name of the Company. As some documents or information in the interim report was effective or applicable to the period before the change of company name, **Wealthking Investments Limited**, **Wealthking Investments**, **OP Financial Limited**, **OP Financial** in English and **華科資本有限公司**, **華科資本**, **東英金融有限公司** and **東英金融** in Chinese all refer to the Company in the interim report.



Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. ZHANG Zhi Ping (*Honorary Chairman*)

Mr. ZHANG Gaobo (*Chairman*)

Dr. LIU Zhiwei (*CEO*)

Non-executive Director

Dr. WU Zhong (*Deputy Chairman*)

(*retired on 31 August 2020*)

Independent Non-executive Directors

Prof. HE Jia

Mr. WANG Xiaojun

Mr. CHEN Yuming

Dr. FU Weigang

AUDIT COMMITTEE

Mr. CHEN Yuming (*Chairman*)

Prof. HE Jia

Mr. WANG Xiaojun

REMUNERATION COMMITTEE

Mr. WANG Xiaojun (*Chairman*)

Prof. HE Jia

Mr. CHEN Yuming

NOMINATION COMMITTEE

Mr. ZHANG Gaobo (*Chairman*)

Prof. HE Jia

Mr. WANG Xiaojun

Mr. CHEN Yuming

CORPORATE GOVERNANCE COMMITTEE

Prof. HE Jia (*Chairman*)

Mr. ZHANG Zhi Ping

Mr. ZHANG Gaobo

Mr. WANG Xiaojun

Mr. CHEN Yuming

AUTHORIZED REPRESENTATIVES

Mr. ZHANG Gaobo

Mr. ZHOU, Tao David

COMPANY SECRETARY

Mr. ZHOU, Tao David

INVESTOR RELATIONS CONTACT DETAILS

Ms. ZHANG Qian, Shirley

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INVESTMENT MANAGER

Oriental Patron Asia Limited

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

Registered Public Interest Entity Auditor



Corporate Information

PRINCIPAL REGISTRAR

SMP Partners (Cayman) Limited
Royal Bank House, 3rd Floor
24 Shedden Road, P.O. Box 1586
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Cayman Islands

STOCK CODE

The Stock Exchange of Hong Kong
Limited
Code: 1140

BRANCH REGISTRAR

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PRINCIPAL PLACE OF BUSINESS

41/F, One Exchange Square
8 Connaught Place
Central
Hong Kong

PRINCIPAL BANKER

China CITIC Bank International Limited
China Construction Bank Corporation Hong Kong Branch
China Minsheng Banking Corporation Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China (Asia) Limited
Luso International Banking Limited
Shanghai Pudong Development Bank Hong Kong Branch
Nanyang Commercial Bank, Limited



Chairman's Statement

Identifying Opportunities to Create Values

Dear Shareholders,

Affected by the global COVID-19 pandemic and geopolitics, the operating environment for the first half of 2020/21 was highly uncertain and unprecedentedly complicated. Nevertheless, during the period, Wealthking Investments recorded a revenue of approximately HK\$48.27 million and achieved a profit of approximately HK\$425 million benefitted from its prudent investment strategy, rigorous risk management and focused management of investment portfolio. As of 30 September 2020, our net asset value increased to approximately HK\$4.566 billion as compared to HK\$4.114 billion six months ago.

Up to now, the impact of the COVID-19 pandemic on global economic activities may persist for a period of time, and it takes time for the full economic recovery of major Western economies. Fortunately, China has benefited from its strong precautionary and control measures, and has taken the lead in achieving a GDP growth rate of 4.9% in the third quarter of 2020, further alleviating the economic impact of the COVID-19 pandemic.

Although the overseas pandemic and the unknown geopolitical development direction brought by the newly elected U.S. president will still pose challenges to the Chinese economy in the short- and medium-term, the Chinese government is taking active and effective measures to accelerate the formation of a new development pattern with domestic major economic circulation as the mainstay and the mutual promotion of domestic and international dual circulation. We believe that the prevailing challenges will not change the fundamental trend of sustained economic growth in China.

With domestic circulation as the mainstay, the advantages of the super-large market in China and the tremendous domestic demand potential will be fully utilized. Meanwhile, the international circulation will continue to make full use of the advantages of the manufacturing industry in China to consolidate its position in the global supply chain, thereby further pushing China into a new stage which transforms from rapid growth to high-quality development.



Chairman's Statement

In the course of transformation of a development model and formation of a new pattern, some specific industries will necessarily emerge while certain world leading enterprises will also arise accordingly in the near future. We will continue to seize historic opportunities and focus on industries with promising prospects for development such as digital healthcare, financial services, technology and environmental protection. We will explore excellent companies and empower them with capital support.

In respect of investment portfolio management, while centring on long-term core holding companies, we will continue to capture market opportunities and adjust mid-term and short-term projects achieving investment return in a timely manner and reserving for our new projects.

In the future, with our deep understanding of the economy and policies in China, Wealthking Investments will continue to gain insights into the investment opportunities arising from the same, while realizing capital appreciation through industries by leveraging on the development of the industries driven by capital. By fully capitalizing our long-term advantages of capital brought by the listed company platform, we will continue to focus on the long-term core holding companies and patiently cultivate leading enterprises for the future. Meanwhile, we will capture mid-term and short-term investment opportunities along with the industrial chain of core holding companies to create synergy and enhance efficiency, which in turn creates diversified returns for our shareholders.

I would like to take this opportunity to express my sincere gratitude to our shareholders for their long-term support to Wealthking Investments.

ZHANG Gaobo

Chairman

27 November 2020, Hong Kong



Management Discussion and Analysis

WEALTHKING INVESTMENTS OVERVIEW

Wealthking Investments is a cross-border investor with a focus on China's fast-growing industries and the best investment opportunities. We believe that a long-term investment perspective is a critical enabler of value creation. The integration of industry, technology and financial capital has become an irresistible trend, which is propelling new industrial revolutions. Our mission is to identify great companies and enhance their performance through providing patient capital and strong support to excellent management teams.

We leverage our capital strength to invest in targeted companies. Our investment strategy covers long-term core holding, mid-term private equity and venture capital, and short-term arbitrage opportunities, with returns generated from interests, dividends and capital appreciation.

INVESTMENT REVIEW

Investment Activities

During the Period (the six months ended 30 September 2020, same as below), we continued to carry out our investment strategy and endeavored to identify market leaders or potential leaders of China's fast-growing industries as our long-term core holding portfolio. Given the high uncertainty and volatility of the global macro economy and capital markets during the Period largely driven by the unprecedented COVID-19 pandemic, we exercised extra prudence on new equity investments and strove for the maximum value of our capital and the financing capability as a public company.

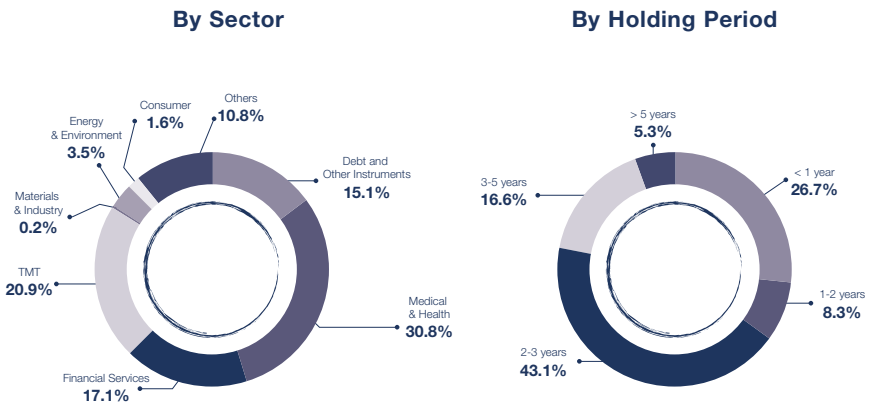
Our investment and divestment decisions are made based on comprehensive considerations and assessments of return, risk and opportunity cost. We invested HK\$773.24 million during the Period, mainly through private equity and listed securities, and our divestment amounted to HK\$946.54 million, mainly derived from some short-term debt instruments, listed securities and private equity investments.

Management Discussion and Analysis

Portfolio Breakdown

Our investment strategy is comprised of three pillars based on different holding period, namely long-term core holding, mid-term private equity and venture capital, and short-term arbitrage and others. As our primary focus, the core holding strategy fully leverages the long-term investment horizon enabled by our own capital as a public company. We identify and invest in companies with high growth potential as core holding portfolio supporting their long-term development with patient capital. The mid-term private equity and venture capital strategy targets not only various opportunities in emerging industries but also fostering and enhancing ecosystem for our core holding companies. The strategy of short-term arbitrage and others mainly focuses on opportunities that emerge from short-term financing needs and other opportunistic deals.

As of 30 September 2020, the top three sectors of our existing portfolio were medical & health, TMT and financial services. Our leading position in the medical & health sector in terms of valuation was the investment in iCarbonX Group Limited, while in the TMT sector, Jiedaibao Limited and Didi Chuxing were the largest two holdings. Our major investment in the financial services sector included Beijing International Trust Co., Ltd., CSOP Asset Management Ltd. and OPIM Holdings Limited, etc.





Management Discussion and Analysis

MAJOR INVESTMENT PORTFOLIO

Long-Term Core Holding

As of 30 September 2020, three companies were categorized as our long-term core holding portfolio, which were iCarbonX Group Limited (“iCarbonX”), CSOP Asset Management Limited (“CSOP”) and OPIM Holdings Limited (“OPIM”), respectively. iCarbonX primarily focuses on digital health management, CSOP is the largest RQFII manager globally, and OPIM is Asia’s leading hedge fund platform. Wealthking Investments’ holdings in the core holding companies amounted to HK\$1,309.38 million as at 30 September 2020. Given the growth potential of the core holding companies, Wealthking Investments will continue to hold them and support their development in the long run while pursuing long-term investment return correspondingly.

iCarbonX Group Limited

Date of initial investment: 2018
Type of deal: Core Holding
Equity ownership: 7.7%
Carrying value: HK\$1,145.54 million
Location: China
Industry: Medical & Health

In 2018, Wealthking Investments invested in iCarbonX as one of its core holding companies and established a joint venture with iCarbonX named iCarbonX OP Investment Limited to capture potential investment opportunities within the healthcare industry. As at 30 September 2020, the Company owned 7.7% of equity interests in iCarbonX and the carrying value of the position stood at HK\$1,145.54 million.

iCarbonX is a global pioneer in artificial intelligence (“AI”) and precision health management and aims to build an ecosystem of digital life based on a combination of individuals’ life data, the Internet and artificial intelligence. Its main founding team comprises the world’s top biologists with extensive experience in multi-omics technology, medical service, biological data analysis, AI and data mining.



Management Discussion and Analysis

iCarbonX established the Digital Life Alliance (the “Alliance”) with a number of cutting-edge health-tech companies in 2016 and has been actively carrying out cross-border collaborations in order to maximize synergy and promote mutual growth within the Alliance. iCarbonX has been deeply concerned with the outbreak of COVID-19 since January 2020 and has leveraged its proprietary world-leading random peptide array based immunization indication technology to build a platform during the 2020 Chinese New Year for COVID-19 immune response testing and vaccine development validation. The platform can be used for immune characteristic screening of asymptomatic general population so as to differentiate susceptible and non-susceptible population for corresponding health management and evaluation of vaccination effectiveness in the future. In addition, iCarbonX has been developing coronavirus In Vitro Diagnostics (IVD) kits and vaccine, of which the IVD kit has been submitted to U.S. Food & Drug Administration (FDA) for approval.

Wealthking Investments believes iCarbonX’s expertise in life science and artificial intelligence equips the company with unparalleled competitive advantages, particularly in an era of post-COVID-19, when AI-enabled healthcare research & development (R&D) is given significant prominence and people’s awareness of health management improves. Going forward, the Company will continue to take an active role in bridging opportunities between iCarbonX and industry leaders to foster its development within the healthcare industry and attain capital appreciation. The investment in iCarbonX is believed to benefit Wealthking Investments over the long run, therefore iCarbonX is held as a core holding company within Wealthking Investments’ investment portfolio.



Management Discussion and Analysis

CSOP Asset Management Limited

Date of initial investment: 2008
Type of deal: Core Holding
Equity ownership: 22.5%
Carrying value: HK\$107.28 million
Location: Hong Kong
Industry: Financial Services

CSOP was jointly established by Wealthking Investments and China Southern Asset Management Co., Ltd. in 2008. As at 30 September 2020, Wealthking Investments owned 22.5% of the issued capital of CSOP, of which the carrying value stood at HK\$107.28 million, increasing 12.9%, or by HK\$12.26 million as compared to HK\$95.02 million as at 31 March 2020 due to the share of profits contributed by CSOP, which was primarily driven by its robust business performance during the Period.

CSOP is a well-known asset management company based in Hong Kong, which manages private and public funds, and provides investment advisory services to Asian and global investors with a dedicated focus on China investing. As a leading cross-border asset management expert in respect of Asset Under Management (AUM), CSOP once held the world's largest RMB Qualified Foreign Institutional Investor (RQFII) quota of RMB46.10 billion. During the two years between 1 January 2018 and 31 December 2019, half of the top 10 actively traded ETFs/ETPs in Hong Kong were managed by CSOP.



Management Discussion and Analysis

In the fast-changing market, CSOP never stops innovation to capture opportunities, in particular this year during which global financial markets have been heavily impacted by COVID-19. During the six months ended 30 September 2020, CSOP launched several new products including leverage/reverse ETFs, world's first Hang Seng TECH Index ETF as well as Chinese Government Bond Index ETF etc. Thanks to its excellent product design and strong performance, CSOP has won a number of awards during the Period including but not limited to the Best Passive Manager on 7 May 2020 by AsianInvestor, a leading publication dedicated to the region's investment industry, with a particular focus on asset owners.

China has been accelerating the reforms and opening-up of its financial market in recent years and it is one of the most attractive investment destinations for international investors. CSOP will continue to bridge investment opportunities in China for overseas investors with its innovative fund products and expertise, achieving decent returns for investors and at the same time enhancing its leading position in the RQFII product management sector. Wealthking Investments believes that CSOP will continue to bring solid returns and therefore will hold it as a long-term core holding company.



Management Discussion and Analysis

OPIM Holdings Limited

Date of initial investment: 2008
Type of deal: Core Holding
Equity ownership: 30%
Carrying value: HK\$56.56 million
Location: Hong Kong
Industry: Financial Services

As at 30 September 2020, Wealthking Investments owned 30% of the issued ordinary shares and 100% of the non-voting preference shares of OPIM Holdings Limited following a reorganization completed in December 2019 to streamline its organizational structure where the Company's position remained unchanged. As at 30 September 2020, the Company's position in OPIM stood at HK\$56.56 million as compared to HK\$43.12 million as at 31 March 2020. The increase was primarily attributable to the strong growth momentum of OPIM's financial performance driven by the increasing scale of its fund products.

OPIM is a leading hedge fund platform in Asia serving both global and Asia-based managers to develop funds across diversified strategies for institutional and professional investors. It has built a whole ecosystem linking up fund managers, service providers and capital allocators, which enables the managers to launch offshore funds with efficient and affordable structures. With the ecosystem, managers are able to focus on fund performance and build a proven track record for future expansion. During the Period, OPIM successfully built strategic partnerships in Singapore and Europe to continue to increase its customer base and expanded the scope of its service offerings to PE funds etc.



Management Discussion and Analysis

With the increasing scale of China's private equity funds in the overseas market, OPIM is expected to maintain the momentum of steady growth in terms of both the number of funds and the overall asset scale. At the same time, China has been accelerating the opening-up of its financial markets, which improves foreign managers' access to the Chinese market and as a result, OPIM is expected to benefit from it. Wealthking Investments believes that OPIM has great potential to continue to grow its business, and therefore will hold it as a long-term core holding company.



Management Discussion and Analysis

Mid-Term Private Equity and Venture Capital

As of 30 September 2020, Wealthking Investments' holdings in the mid-term private equity and venture capital category amounted to HK\$2,171.68 million. The Company added a new investment of HK\$700.00 million and exited from a few private equity investments as well as received fund distributions amounting to HK\$127.10 million in total in this category during the Period. Based on prudent and extensive analysis of market condition and investment projects' prospect, Wealthking Investments makes decisions either to maintain the holding for future divestment to benefit from growth of business, or to exit and harvest returns for potential new investments. Apart from certain listed equity investments, the major investments are listed as below:

Jiedaibao Limited (“Jiedaibao”)

Date of initial investment: 2020
Type of deal: Private Equity
Equity Ownership: 1.97%
Carrying value: HK\$700.00 million
Location: China
Industry: TMT

In 2020, Wealthking Investments entered into a share purchase agreement (the “Purchase Agreement”) with an existing shareholder (the “Seller”) of Jiedaibao Limited (“Jiedaibao”) to purchase 1.97% of the shares issued by Jiedaibao at a consideration of HK\$700 million. Upon completion of the Purchase Agreement, all interests and obligations undertaken by the Seller in accordance with articles of association of Jiedaibao are transferred to the Company.



Management Discussion and Analysis

Founded in 2014, Jiedaibao is an Internet Fintech company providing services of contract signing, registration and post-loan management for borrowing and lending money between individual users and supply chain finance of corporate users, aiming to solve the financing difficulty problem for individuals as well as micro-, small and medium-sized enterprises (“SME”). The mobile App 借貸寶 (“借貸寶”), which is operated by Jiedaibao, mainly provides registration tools for online I Owe You (“IOU”) issuance and supplementing and relevant value-added services. Adopting AI visual technology, a sound cloud storage system and online payment system, Jiedaibao empowers online borrowing and lending transactions and micro-, SME’s supply chain finance with sources of revenue mainly coming from transaction fee, collection service fee, advertising fee, payment fee and software development fee. By right of the universality of its function and the business model, 借貸寶 has gained significant market share in Mainland China since its launch 5 years ago with accumulative registered individual and corporate users of 130 million and 30,000 respectively and transaction amount of over RMB200 billion.

With licenses of online payment, commercial banking and internet microloans, Jiedaibao is building a complete Fintech ecosystem. Wealthking Investments expects the continuously growing business of Jiedaibao would generate considerable mid-term return for the Company.



Management Discussion and Analysis

Treasure Up Ventures Limited (Beijing International Trust Co., Ltd., “BITIC”)

Date of initial investment: 2016
Type of deal: Private Equity
Equity Ownership: 25%
Carrying value: HK\$412.59 million
Location: China
Industry: Financial Services

Wealthking Investments acquired 25% equity interest in Treasure Up Ventures Limited (“Treasure Up”), which in turn participates in a minority economic interest in BITIC. As at 30 September 2020, the Company’s position in BITIC stood at HK\$412.59 million as compared to HK\$342.74 million as at 31 March 2020. The increase was primarily attributable to the recovery of global financial markets since March 2020, which resulted in higher trading multiples of BITIC’s comparable companies, and the strong fundamentals of BITIC were also an indispensable supporting factor of the increase. For 2019, BITIC recorded a total revenue and net income of RMB1,897.82 million and RMB927.57 million, increasing 12.0% and 11.4% year-over-year, respectively.

BITIC is a China-based large-scale non-banking financial institution, which primarily engages in trusts, investment funds, financial services, brokerage and advisory business.



Management Discussion and Analysis

The trust industry has been playing an irreplaceable role in China's economic development and financial resource allocation. In recent years, the rapid development of wealth management business driven by the accumulation of private wealth has brought the industry with historic opportunities. Quickly adapting to the changes in the market and national policy environment, BITIC formulated its twin-engine strategy in 2019, which is asset management and wealth management respectively, and has adjusted its service offerings focusing on quality rather than quantity since 2018. Wealthking Investments believes that BITIC will benefit from the continuous opening-up and improvement of China's financial system and the upgrading of the trust industry, as a result of which BITIC is expected to deliver a decent return on investment for the Company.



Management Discussion and Analysis

華建實業投資有限公司(“華建實業”)

Date of initial investment: 2020
Type of deal: Private Equity
Equity ownership: 12.5%
Carrying value: HK\$376.78 million
Location: China
Industry: Others

Wealthking Investments entered into agreements to acquire 100% of the equity of Wall King Industry Investment Limited, which in turn to purchase 12.5% of equity interest issued by 華建實業 with a total consideration of HK\$370.00 million. As at 30 September 2020, the Company's position in 華建實業 stood at HK\$376.78 million.

With the double-engine strategy of industrial operations complemented by equity investment, 華建實業 currently controls or holds minority interest in more than 15 projects, mainly in the promising sectors, including but not limited to high-end equipment manufacturing, culture and arts, internet and semiconductor.

China's economic development has entered into a new stage where technology is a key driver and domestic consumption is playing an increasingly important role. As a result, there are plenty of opportunities in the emerging industries into which the Chinese government has been guiding the factors of production to flow through supply-side structural reform. 華建實業 primarily focuses on the emerging industries and holds a number of prime investment projects with great growth prospects, and therefore, is expected to bring medium-term investment returns to the Company.



Management Discussion and Analysis

Victorian Investment Limited Partnership

Date of initial investment: 2018
Type of deal: Private Equity
Equity ownership: 46.15%
Carrying value: HK\$129.87 million
Location: China
Industry: Medical & Healthcare

In 2018, Wealthking Investments made the investment in Victorian Investment Limited Partnership to participate in the investment regarding the healthcare business of a large-scale Chinese company. As of 30 September 2020, the Company's position stood at HK\$129.87 million.

Echoing its investment industry focus, the Company made the investment in Victorian Investment Limited Partnership aiming to benefit from the potential upside of the Chinese healthcare sector. The investment originally had a term of 3 years, however, due to the liquidity problem of the parent company of the underlying investment and the downturn of China market, the parent company is undergoing a debt restructuring program, of which the progress was impeded by the outbreak of COVID-19 in China earlier this year when there was a nationwide lockdown. As at 30 September 2020, the restructuring program was still underway with involved parties' best efforts to finalize a plan as early as possible. The Company will closely monitor the progress and strive for recovering the provision for the impairment loss upon the completion of the debt restructuring program.



Management Discussion and Analysis

Xiaoju Kuaizhi Inc. (Didi Chuxing)

Date of initial investment: 2016
Type of deal: Private Equity
Equity ownership: <1%
Carrying value: HK\$112.52 million
Location: China
Industry: TMT

Xiaoju Kuaizhi Inc. (“Xiaoju Kuaizhi”) is the Cayman Island SPV of Didi Chuxing. Wealthking Investments subscribed less than 1% preferred shares issued by Xiaoju Kuaizhi. As at 30 September 2020, the Company’s position in Didi Chuxing stood at HK\$112.52 million as compared to HK\$83.92 million as at 31 March 2020. The increase was primarily attributable to the recovery of Didi Chuxing’s business during the Period with the outbreak of COVID-19 in China being under control.

Didi Chuxing is the world’s leading one-stop mobile transportation platform offering a full range of app-based mobility options for over 550 million registered users across Asia, Latin America and Australia. In China, Didi Chuxing is the absolute market leader in the mobile transportation sector with the number of monthly active users for May 2019 amounting to 75.17 million, roughly 23 times of that of the second market player, according to a research report published by Analysys. With the resumption of economic activities in China post the outbreak of COVID-19, Didi Chuxing has recovered its ride-hailing business and in the meantime, it is also penetrating into the intra-city freight delivery sector leveraging and further monetizing its large-scale user base.



Management Discussion and Analysis

With the development of urbanization and the evolution of consumption habits, mobile transportation is playing an increasingly important role in urban society. In the past few years, Didi Chuxing has been actively exploring the application of AI, big data and other technologies in the transportation sector to continuously optimize its service offerings and has been making significant progress in expanding its global footprints. Wealthking Investments believes that Didi Chuxing's tremendous user base and its penetration in the smart transportation sector will equip it with unparalleled competitive advantages going forward.

Short-term Arbitrage and Others

As at 30 September 2020, Wealthking Investments' holdings in listed securities that fell into this category amounted to HK\$41.56 million, while the holdings in debt and other instruments amounted to approximately HK\$624.66 million. During the Period, Wealthking Investments made new investment in and divestment from some listed securities and divested from some debt instruments to enhance the capital liquidity and generated returns from interests, dividends and capital gains. At the same time, our portfolio of debt instruments recorded provision for expected credit losses under HKFRS 9, while some listed securities recorded market price change for the Period.



Management Discussion and Analysis

The Company invests in debt instruments with the consideration of return, risk and liquidity. For the Period, the interest rate we charged for the debt instruments, of which the borrowers were mainly investment companies, ranged from 6% to 11.5% as compared to 6% to 20% for the same period last year. The total interest income generated from debt instruments was HK\$47.56 million with loan tenures ranging from 18 months to 3 years, while the corresponding amount and range for the same period last year were HK\$102.26 million and 3 months to 3 years, respectively.

Wealthking Investments maintains regular communication with debt issuers and loan borrowers. As at the end of the Period, management have assessed the repayment ability of the issuers/borrowers for the determination of expected loss provisions.

FINANCIAL REVIEW

Financial position

Net asset value: As at 30 September 2020, the Group's net asset value was HK\$4,566.31 million, or HK\$1.57 per share, as compared to HK\$4,114.44 million and HK\$1.42 per share respectively as at 31 March 2020.

Gearing: The gearing ratio, which was calculated on the basis of total liabilities over total equity as at 30 September 2020, was 0.09 (31 March 2020: 0.16).

Investments accounted for using equity method: It represents our interest in companies held under the strategy of long-term core holding, which is CSOP, as well as mid-term private equity and venture capital, which mainly include Treasure Up (BITIC). Assets value stood at HK\$671.63 million as at 30 September 2020 (31 March 2020: HK\$637.91 million), representing a sequential increase of 5.3%, primarily due to the increased share of results from CSOP as a result of its robust performance and the increase in the carrying value of the Company's investment in Treasure Up driven by the recovery of global financial markets since March 2020 and the strong fundamentals of BITIC. The increase was partially offset by a reclassification of BE Financial Service (Beijing) Investment Holdings Limited.



Management Discussion and Analysis

Financial assets at fair value through profit or loss: It stood at HK\$2,785.60 million as at 30 September 2020, representing an increase of 24.1% as compared to HK\$2,245.29 million as at 31 March 2020, mainly attributable to (i) an addition of HK\$700 million of new investment into Jiedaibao during the Period; (ii) an increase of HK\$28.60 million in the carrying value of Xiaoju Kuaizhi (Didi Chuxing); (iii) an increase of HK\$13.44 million in the carrying value of the investment in OPIM, which was partially offset by (iv) a decrease of HK\$51.69 million in the carrying value of Central China New Life Limited (“CCNL”) due to the divestment from the project; and (v) a decrease of HK\$48.14 million in Sino Stature’s carrying value due to partial distribution from the investment.

Debt investments: It represents the investments in debt instruments as at 30 September 2020, which amounted to HK\$624.66 million. The decrease of 48.3% as compared to HK\$1,208.30 million as at 31 March 2020 was primarily because the Company exited from two debt investments and received some partial repayments during the Period.

Bank and cash balances: As of 30 September 2020, the Company’s bank and cash balance stood at HK\$41.35 million (31 March 2020: HK\$117.39 million). We manage our bank and cash balances principally on the basis of making good use of capital to achieve returns for shareholders and ensuring sufficient liquidity for our working capital requirements.

RESULTS

Despite the challenging economic environment and volatile financial markets brought by the COVID-19 pandemic and the US-China trade war during the Period, the Company has achieved significant improvement by right of its prudent investment activities, rigid risk control measures and focused portfolio management. Turnover for the Period reached HK\$434.96 million, increasing 149.7% as compared to the same period last year as a result of the Company’s tremendous efforts to enhance liquidity and profitability. The Company recorded a total revenue of HK\$48.27 million for the Period, representing a year-over-year decrease of 54.5% as compared to HK\$106.13 million for the same period last year primarily attributable to the decrease in interest income and dividend income as we divested some debt instruments and listed securities. The total comprehensive income for the Period recorded a gain of HK\$426.75 million, increasing 60.5% as compared to HK\$265.91 million for the same period last year. The increase was primarily driven by the HK\$458.22 million of net change in unrealised gain on financial assets at fair value through profit or loss, HK\$52.93 million of reversal of expected credit loss (ECL) and HK\$82.25 million of share of results of investment accounted for using equity method, partially offset by the HK\$118.62 million of net realised loss on disposal/distribution of investments and HK\$20.93 million of realised loss on financial liabilities at fair value through profit or loss.



Management Discussion and Analysis

Consolidated statement of profit or loss and other comprehensive Income

Revenue represents the income received and receivable on investments during the Period as follows:

	Six months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Dividend income ⁽¹⁾	551	3,078
Interest income ⁽²⁾	47,720	103,056
	48,271	106,134

(1) Dividends received from listed securities during the Period.

(2) Interest income of HK\$47.72 million were primarily generated from the Group's debt instruments as well as term deposit in banks.

Net change in unrealized gain on financial assets at fair value through profit or loss:
The net change in unrealized gain of HK\$458.22 million (1H FY2019/20: HK\$364.70 million) mainly represents the net result of (i) the unrealized gain of HK\$259.56 million on the prepaid consideration for acquiring 19.9% of the total capital, or 63,202,590 shares, of Dagang Holding Group CO., LTD. (stock code: 300103.SZ, "Dagang Holding"); (ii) the unrealised gain of HK\$28.60 million on Xiaoju Kuaizhi (Didi Chuxing); (iii) the unrealised gain of HK\$18.76 million on BE Financial Service (Beijing) Investment Holdings Limited ("BEFS"); (iv) the unrealised gain of HK\$15.67 million on Thrive World Limited; (v) the unrealised gain of HK\$13.44 million on OPIM; (vi) the net unrealised gain of HK\$141.06 million on listed securities; (vii) the net unrealised gain of HK\$11.83 million on investment funds; partially offset by (viii) the transfer-out of unrealised gain of HK\$40.69 million on CCNL upon disposal.



Management Discussion and Analysis

Net change in unrealized gain on financial liabilities at fair value through profit or loss: The net change in unrealized gain of HK\$4.14 million (1H FY2019/20: HK\$46.70 million) mainly represents the share of unrealized loss on co-investments by our co-investment partners.

Net realized loss on disposal/distribution of investments: The net realized loss of HK\$118.62 million (1H FY2019/20: HK\$2.54 million) for the Period was mainly the result of (i) the realised gain of HK\$55.58 million on disposal of CCNL, offset by (ii) a net realised loss of HK\$96.90 million on disposal of a few listed securities; (iii) the realized loss of HK\$71.52 million on settlement of a debt investment; and (iv) the realised loss of HK\$5.83 million on disposal of an investment fund.

Reversal of/(provision for) expected credit losses ("ECL"): The reversal of provision for ECL of HK\$52.93 million (1H FY2019/20: provision for ECL of HK\$61.50 million) for the Period primarily represents the reversal of provision for ECL of HK\$96.11 million on debt instruments upon the Company's successful exits from two and partial repayment from another two of them, which was partially offset by the provision for ECL on a few other debt instruments.

Equity-settled share-based payments: The HK\$1.51 million (1H FY2019/20: HK\$3.07 million) represents the cost of share options amortized during the Period. These share options were granted to certain Directors, employees and consultants on 20 May 2016 and 1 February 2018 respectively, which are allowed to be vested over five years from the grant dates.



Management Discussion and Analysis

Operating and administrative expenses: The total amount of HK\$43.46 million operating and administrative expenses (1H FY2019/20: HK\$67.29 million) was mainly the result of staff costs, investment management fee, depreciation, audit fee, brokerage commission and trading expenses, service fee expense as well as legal and professional fees. The year-over-year decrease in operating and administrative expenses was primarily driven by a decrease of HK\$10.77 million in staff cost, HK\$5.25 million in depreciation on Right-of-Use (ROU) assets, HK\$4.37 million in Director remuneration and HK\$2.66 million in service fee expenses, which were partially offset by an increase of HK\$0.96 million in depreciation of fixed assets and HK\$0.86 million in brokerage commission and trading expenses.

Share of results of investments accounted for using equity method: a net gain of approximately HK\$82.25 million (1H FY2019/20: net loss of HK\$145.57 million) mainly represents our share of gain of HK\$70.01 million from Treasure Up (BITIC) due to the recovery of global financial markets since March 2020, supported by the strong fundamentals of BITIC. The share of gain of HK\$10.92 million from CSOP is another contributor driven by its robust business performance during the Period.

Other comprehensive income: Changes in the Group's NAV, which are not accounted for in "profit for the Period", are recorded under "other comprehensive income". The net gain of HK\$1.34 million (1H FY2019/20: loss of HK\$0.15 million) represented the share of exchange differences recognised in other comprehensive income of CSOP. Including the "profit for the Period", the total comprehensive income for the Period was a gain of HK\$426.75 million.

DIVIDEND POLICY AND PROPOSED INTERIM DIVIDEND

The Board has resolved not to pay any interim dividend in respect of the Period (1H FY2019/20: nil).



Management Discussion and Analysis

LIQUIDITY AND FINANCIAL RESOURCES

The Group's major sources of revenue currently are dividend income from investments held, interest income from bank deposits and financial instruments held.

As at 30 September 2020, the Group had cash and bank balances of HK\$41.35 million (31 March 2020: HK\$117.39 million). The Group had an aggregate of HK\$278.87 million loans primarily comprised of bank loans from our principal bankers, interest-bearing loan from a third party and interest-free borrowings from one of the associates for a PRC potential investment as at 30 September 2020 (31 March 2020: HK\$506.85 million). The debt-to-equity ratio (interest-bearing external borrowings divided by shareholders' equity) stood at 4.6% (31 March 2020: 10.7%) while the current ratio (current assets divided by current liabilities) was 8 times (31 March 2020: 4 times). For further analysis of the Group's cash position, current assets and gearing, please refer to paragraphs under subsections headed "Financial Position" above.

The Board believes that our operations and borrowing resources are sufficient to provide funding to satisfy our ongoing investment and working capital requirements for the foreseeable future.

CAPITAL STRUCTURE

As at 30 September 2020, Shareholders' Equity and the total number of shares in issue of the Company stood at HK\$4.57 billion (31 March 2020: HK\$4.11 billion) and 2,900,940,000 (31 March 2020: 2,900,940,000), respectively.



Management Discussion and Analysis

MATERIAL ACQUISITIONS AND DISPOSALS OF INVESTMENTS

The Company had the following material acquisitions as well as disposals of investments on a cash flow basis during the Period.

	New/ Additional Investment (HK\$ million)	Divestment/ Disposal (HK\$ million)
Mid-term private equity and venture capital	700.00 ⁽¹⁾	127.10 ⁽²⁾
Short-term arbitrage opportunities		
– Listed securities	73.24 ⁽³⁾	259.59 ⁽⁴⁾
– Debt instruments	–	559.85
Total	773.24	946.54

- (1) The HK\$700.00 million represents the Company's investment in Jiedaibao Limited during the Period.
- (2) Out of the HK\$127.10 million, approximately HK\$57.59 million was distribution received by the Company from two investees, whilst the remaining HK\$69.51 million represented sales proceeds from disposal of three investments.
- (3) The HK\$73.24 million represents the Company's investment into four listed securities during the Period.
- (4) The HK\$259.59 million represents the Company's divestment from six listed securities and proceeds received from co-investment partners during the Period.



Management Discussion and Analysis

SEGMENT INFORMATION

Segment information of the Group is set out in note 7 on pages 65 to 67 of this report.

EMPLOYEES

As of 30 September 2020, the Group had 39 employees (31 March 2020: 43), inclusive of all Directors of the Group and its subsidiaries. Total staff costs including equity-settled share-based payments for the Period amounted to HK\$13.48 million (1H FY2019/20: HK\$30.18 million). The Group's remuneration policies are in line with market practices and are determined on the basis of the performance and experience of individual employees.

SHARE OPTION SCHEME

During the Period, the Board did not grant any share option under the Company's share option scheme to any Directors or eligible employees of the Group and there were no granted share options exercised (1H FY2019/20: nil). As at 30 September 2020, there were 71,700,000 (31 March 2020: 71,700,000) share options that remained outstanding under the share option scheme.

The detailed disclosures relating to the Company's share option scheme and valuation of options are set out in the section headed "Share Option Scheme" under Notes to the condensed consolidated financial information.



Management Discussion and Analysis

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

As at 30 September 2020, the Group was exposed to foreign exchange risk arising from financial instruments that are monetary items including investments recognized as financial assets at fair value through profit or loss, prepaid consideration for equity investment, loan and other receivables, bank balances, deferred tax liabilities and other payables (31 March 2020: financial assets at fair value through profit or loss, prepaid consideration for equity investment, loan and other receivables, bank balances and other payables). These assets were denominated in RMB and the maximum exposure to foreign exchange risk was RMB1,106,294,000, equivalent to HK\$1,257,580,000 (31 March 2020: RMB452,054,000, equivalent to HK\$492,965,000).

As at 30 September 2020, 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 exchange risk is minimal as HKD is pegged to USD based on the Linked Exchange Rate System in Hong Kong.

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

As at 30 September 2020, there were no charges on the Company's assets. Regarding the guarantees provided by the Group in respect of the settlement of RMB20 million loan provided by 博石資產管理股份有限公司 to 上海幸福九號網絡科技有限公司, the Company received a demand letter from 博石資產管理股份有限公司 for settling the loan on behalf of 上海幸福九號網絡科技有限公司 on 20 April 2020 due to the financial difficulties of 上海幸福九號網絡科技有限公司. The loan was fully paid on 22 May 2020 and a provision for the loan guarantee of RMB20 million (equivalent to HK\$21.81 million) had been recognized as at 31 March 2020.



Management Discussion and Analysis

The Company, through a subsidiary, OP Fintech Holdings Limited, signed a limited partnership agreement in which the Company acted as general partner and sub-ordinated limited partner of OP EBS Fintech and contributed US\$20,000,000, or approximately HK\$156,255,000 to the limited partnership. Through OP EBS Fintech, the Company invested into Wacai Holdings Limited (“Wacai”), which is one of the earliest established Fintech companies in China.

Pursuant to the Share Charge, the Group’s sub-ordinated limited partner’s interest has been charged in favour of the preferred limited partner of OP EBS Fintech (“PLP”) to secure any outstanding amounts owed. Upon the exercise of right of redemption by the Preferred Limited Partner (“PLP”), the Group could either make new capital contribution to the limited partnership to fund the relative proportion of the PLP redemption amount, or settle the proportional redemption amount by transferring the Group’s subordinated limited partner’s interest to the PLP under the Share Charge.

A notice of withdrawal has been received by OP Fintech Holdings Limited on 2 September 2020, indicating the expiry of PLP’s term and its intention to exit. Pursuant to the terms of the LPA, OP Fintech Holdings Limited is required to remit approximately US\$18,236,000 to the limited partnership to facilitate PLP’s exit. The Board considered the challenges and uncertainties the investee faced in Fintech industries and business environments in Mainland China, and expected that the cost to retain its investment interest outweighs the potential benefits. As such, the Group intended to settle the required remittance obligation by transferring its SLP interest to PLP under the Share Charge.

The transfer of SLP interest to PLP has not been completed by the reporting date. However, the management assessed the position and potential challenges faced by the investee and expected the remaining investment value over the required remittance to be insignificant. As such, the carrying value of the investment is valued at zero.



Management Discussion and Analysis

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

As at 30 September 2020, there were no plans for material investments or capital assets. The Company may, at any point, be negotiating potential investments. The Company considers new investments as part of its daily business, and therefore management may publicly announce these plans as they become necessarily disclosable to the shareholders.

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 Period.

EVENTS AFTER THE REPORTING PERIOD

- (1) As disclosed in the Company's announcement dated 23 October 2020, 桐鄉市東英股權投資基金管理合伙企業(有限合伙) ("the Seller") has completed the release of the pledge and the registration of the transfer of the Shares. The Shares (63,202,590 shares in Dagang) have been registered under the name of 英奇投資(杭州)有限公司, a wholly-owned subsidiary of the Company, with China Securities Depository and Clearing Corporation Limited. The Company and the Seller have agreed that the third instalment and the final payment (RMB245,228,490 in total) should be paid after the registration of the transfer of the Shares. The parties are negotiating the payment schedule.



Management Discussion and Analysis

- (2) As disclosed in the Company's announcements dated 7 October, 19 October, 5 November and 15 December 2020, since 8 December 2020, the English name of the Company has been changed from "OP Financial Limited" to "Wealthking Investments Limited", and "華科資本有限公司" has been adopted as the Chinese name of the Company.

CORPORATE GOVERNANCE CODE

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 Period, in compliance with the Corporate Governance Code set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").



Management Discussion and Analysis

Code Provision A.6.7 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 Period, Mr. ZHANG Gaobo and Mr. Wang Xiaojun attended the annual general meeting held on 31 August 2020 (“AGM”). Due to the restrictions in response to the outbreak of COVID-19 pandemic and other business commitment on urgent basis, Mr. ZHANG Zhi Ping, Dr. LIU Zhiwei, Dr. WU Zhong, Mr. CHEN Yuming, Dr. FU Weigang and Prof. HE Jia did not attend the AGM.

Code Provision C.1.2 provided that the management should provide all members of the board with monthly updates on the issues, performance, position, and prospects, which may include monthly management accounts and materials between projections and actual results. During the period, although management accounts were not circulated to board members on a monthly basis, regular reports were given by management to the Directors from time to time, which the Directors consider to be sufficient and appropriate in the circumstances in giving a balanced and understandable assessment of the Company’s performance and enable Directors to discharge their duties.

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. Following a 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 Period.



Management Discussion and Analysis

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2020, the interests and 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(s) (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions and/or short position in shares and underlying shares of the Company:

(L) denotes Long position.

Name of director	Nature of Interests	Number of ordinary shares/Underlying shares held in the Company		As to % to the capital of the Company as at 30 September 2020 (note 1)
		Interests in shares	Interests under equity derivatives	
Dr. LIU Zhiwei	Beneficial owner	334,306,000(L)	–	13.84%
	Interest of controlled corporation (note 3)	67,112,000(L)	–	
Mr. ZHANG Gaobo (note 2)	Interest of controlled corporation	359,800,000(L)	–	12.40%
Mr. ZHANG Zhi Ping (note 2)	Interest of controlled corporation	359,800,000(L)	–	12.40%



Management Discussion and Analysis

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Notes:

- (1) The percentage of shareholding was calculated on the basis of the Company's issued share capital of 2,900,940,000 shares as at 30 September 2020.
- (2) This represented an aggregate of 330,000,000 shares held by Ottness Investments Limited ("Ottness") and 29,800,000 shares held by Oriental Patron Financial Services Group Limited ("OPFSG"). Ottness is a wholly owned subsidiary of Oriental Patron Financial Group Limited ("OPFGL"), while 95% of the issued share capital of OPFSG is owned by OPFGL. The issued share capital of OPFGL is beneficially owned as to 51% by Mr. ZHANG Zhi Ping and 49% by Mr. ZHANG Gaobo. By virtue of the SFO, each of Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo is deemed to be interested in the shares and underlying shares of the Company held by Ottness and OPFSG.
- (3) This represented 54,376,000 shares held by AI International Capital Management Ltd ("AI International") and 12,736,000 shares held by Chunda International Capital Management Co., Ltd ("Chunda International"). Mr. LIU Zhiwei ("Mr. LIU") owns 100% of the issued share capital in AI International and Chunda International. By virtue of the SFO, Mr. LIU is deemed to be interested in the shares held by AI International and Chunda International.

Save as disclosed above, as at 30 September 2020, none of the Directors or chief executive of the Company had any interest or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Management Discussion and Analysis

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

As at 30 September 2020, so far as the Directors or Chief Executive of the Company are aware, the following corporation and persons other than a Director or the chief executive of the Company had an interest or a short position in the Shares and underlying Shares, which were required to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required pursuant to Section 336 of the SFO, to be entered in the register referred to therein:

Long positions and/or short position in shares and underlying shares of the Company:

(L) denotes long position.

(S) denotes short position.

Name of director	Capacity in which interest are held	Number of ordinary shares/Underlying shares held in the Company		As to % to the capital of the Company as at 30 September 2020 (note 1)
		Interests in shares	Interests under equity derivatives	
OPFGL (note 2)	Interest of controlled corporation	359,800,000(L)	–	12.40%
FTLife Insurance Company Limited (note 7)	Beneficial owner	290,000,000(L) 290,000,000(S)	–	9.99%
Cheng Yu Tung Family (Holdings II) Limited (note 7)	Interest in controlled corporation	290,000,000(L) 290,000,000(S)	–	9.99%
Wah Hing Global Investment Limited (note 5)	Beneficial owner	287,000,000(L)	–	9.89%
Mr. HE Zhiping (note 5)	Interest in controlled corporation	287,000,000(L)	–	9.89%

Management Discussion and Analysis

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

Long positions and/or share position in shares and underlying shares of the Company: (Continued)

Name of director	Capacity in which interest are held	Number of ordinary shares/Underlying shares held in the Company		As to % to the capital of the Company as at 30 September 2020 (note 1)
		Interests in shares	Interests under equity derivatives	
Full House Investment Limited (note 6)	Beneficial owner	287,000,000(L)	–	9.89%
Mr. FU Jianping (note 6)	Interest in controlled corporation	287,000,000(L)	–	9.89%
Magopt Ltd. (note 3)	Beneficial owner	–	202,553,560(L)	6.98%
Mr. LIU Yu (note 3)	Interest of controlled corporation	–	202,553,560(L)	6.98%
Bestone Asset Management Co., Ltd (note 4)	Beneficial owner	169,720,000(L)	–	5.85%
21st Century Champion Limited (note 4)	Interest of controlled corporation	169,720,000(L)	–	5.85%
Ms. WANG Juan (note 4)	Interest of controlled corporation	169,720,000(L)	–	5.85%
RB Management Limited (note 8)	Beneficial owner	169,152,000(L)	–	5.83%
Oriental Simple Asset Management Co., Ltd (note 8)	Interest in controlled corporation	169,152,000(L)	–	5.83%
Ms. YANG Fuyi	Beneficial owner	165,962,500(L)	–	5.72%



Management Discussion and Analysis

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

Long positions and/or share position in shares and underlying shares of the Company: (Continued)

Notes:

- (1) The percentage of shareholding was calculated on the basis of the Company's issued share capital of 2,900,940,000 shares as at 30 September 2020.
- (2) This represented an aggregate of 330,000,000 shares held by Ottness and 29,800,000 shares held by OPFSGL. Ottness is a wholly owned subsidiary of OPFGL, while 95% of the issued share capital of OPFSGL is owned by OPFGL. The issued share capital of OPFGL is beneficially owned as to 51% by Mr. ZHANG Zhi Ping and 49% by Mr. ZHANG Gaobo. By virtue of the SFO, each of Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo is deemed to be interested in the shares and underlying shares of the Company held by Ottness and OPFSGL.
- (3) This represented 202,553,560 underlying shares comprised in the unlisted warrants granted to Magopt Ltd. pursuant to the consultancy agreement approved at the extraordinary general meeting held on 30 March 2017. Mr. LIU Yu owns 80% of the issued share capital in Magopt Ltd. By virtue of the SFO, Mr. LIU Yu is deemed to be interested in the shares held by Magopt Ltd.
- (4) This represented 169,720,000 shares held by Bestone Asset Management Co., Ltd ("Bestone Asset Management"). Ms. WANG Juan ("Ms. WANG") owns 100% of the issued share capital in 21st Century Champion Limited ("21st Century Champion") while 21st Century Champion owns 100% of the issued share capital in Bestone Asset Management. By virtue of the SFO, each of Ms. WANG and 21st Century Champion is deemed to be interested in the shares held by Bestone Asset Management.
- (5) This represented 287,000,000 shares held by Wah Hing Global Investment Limited ("Wah Hing"). Mr. HE Zhiping ("Mr. HE") owns 100% of the issued share capital in Wah Hing. By virtue of the SFO, Mr. HE is deemed to be interested in the shares held by Wah Hing.



Management Discussion and Analysis

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

Long positions and/or share position in shares and underlying shares of the Company: (Continued)

- (6) This represented 287,000,000 shares held by Full House Investment Limited ("Full House"). Mr. FU Jianping ("Mr. FU") owns 100% of the issued share capital in Full House. By virtue of the SFO, Mr. FU is deemed to be interested in the shares held by Full House.
- (7) This represented 290,000,000 shares held by FTLife Insurance Company Limited ("FTLife Insurance"). FTLife Insurance is a wholly-owned subsidiary of Earning Star Limited ("Earning Star"), while Earning Star is a wholly-owned subsidiary of Success Idea Global Limited ("Success Idea"). NWS Service Management Limited ("NWS Service") owns 100% of the issued share capital of Success Idea, while NWS Holdings Limited ("NWS") owns 100% of NWS Service. The issued share capital of NWS is owned as to 60.86% by New World Development Company Limited ("New World Development"), while the issued share capital of New World Development is owned as 44.48% by Chow Tai Fook Enterprises Limited ("Chow Tai Fook Enterprises"). Chow Tai Fook (Holding) Limited ("Chow Tai Fook") owns 100% of the issued share capital of Chow Tai Fook Enterprises, while Chow Tai Fook Capital Limited ("Chow Tai Fook Capital") owns 81.03% of the issued share capital of Chow Tai Fook. As Cheng Yu Tung Family (Holdings II) Limited ("Cheng Yu Tung Family") owns 46.65% of Chow Tai Fook Capital, by virtue of the SFO, Cheng Yu Tung Family is deemed to be interested in the shares held by FTLife Insurance.
- (8) This represented 169,152,000 shares held by RB Management Limited ("RB Management"). Oriental Simple Asset Management Co., Ltd ("Oriental Simple Asset Management") owns 100% of the issued share capital in RB Management. By virtue of the SFO, Oriental Simple Asset Management is deemed to be interested in the shares held by RB Management.

Save as disclosed above, as at 30 September 2020, the Company has not been notified by any other persons, not being a Director or chief executive of the Company, who has interests or short positions in the shares and underlying shares of the Company representing 5% or more of the Company's issued share capital.



Management Discussion and Analysis

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

At no time during the Period was the Company or its associated corporation(s) a party to any arrangements to enable the Directors or chief executive of the Company to acquire any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporation(s).

AUDIT COMMITTEE

The Company's audit committee, comprising three independent non-executive Directors, has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing and financial reporting matters including a review of the condensed consolidated interim financial information for the Period before recommending them to the Board for approval.

REVIEW OF INTERIM FINANCIAL INFORMATION

The external auditor has reviewed the condensed consolidated interim financial information for the Period 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.

APPRECIATION

On behalf of the Board, I would like to thank all our shareholders for their continued trust and support and the investment manager for their dedicated efforts.

By order of the Board

Wealthking Investments Limited

ZHANG Gaobo

Executive Director and Chairman

Hong Kong SAR, 27 November 2020



Report on Review of Interim Financial Information

To the Board of Directors of OP Financial Limited

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 44 to 102, which comprises the interim condensed consolidated statement of financial position of OP Financial Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 September 2020 and the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The 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 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 Hong Kong Accounting Standard 34 “Interim Financial Reporting”. 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.



Report on Review of Interim Financial Information

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 of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 27 November 2020

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2020

		Six months ended 30 September	
	Note	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Turnover	6	434,964	174,182
Revenue	6	48,271	106,134
Net change in unrealized gain on financial assets at fair value through profit or loss	15,18		
– arising from listed investments		141,064	(43,192)
– arising from unlisted investments		317,154	407,888
		458,218	364,696
Net realized loss on disposal/distribution of investments			
– arising from listed investments		(41,314)	(7,198)
– arising from unlisted investments		(77,305)	4,660
		(118,619)	(2,538)
Net change in unrealized gain on financial liabilities at fair value through profit or loss		4,142	46,701
Realized loss on financial liabilities at fair value through profit or loss		(20,930)	(321)
Realized gain on disposal of a subsidiary		–	2
Realized gain on deemed disposal of an associate		–	1,859
Exchange differences		11,145	(6,784)
Reversal of/(provision for) expected credit losses		52,932	(61,503)
Equity-settled share-based payments	23	(1,508)	(3,069)
Operating and administrative expenses		(43,459)	(67,294)
Profit from operations		390,192	377,883
Finance costs	8	(9,673)	(7,017)
Share of results of investment accounted for using equity method		82,254	(145,568)
Profit before tax		462,773	225,298
Taxation	9	(37,360)	40,766
Profit for the Period	10	425,413	266,064

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2020

		Six months ended 30 September	
	Note	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Share of other comprehensive income of investments accounted for using equity method:			
Exchange differences		1,341	(152)
Other comprehensive income for the Period		1,341	(152)
Total comprehensive income for the Period		426,754	265,912
Earnings per share			
Basic	12(a)	14.66 cents	9.17 cents
Diluted	12(b)	14.66 cents	9.14 cents

The notes on pages 44 to 102 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Financial Position

At 30 September 2020

	Note	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Non-current assets			
Fixed assets	13	13,442	16,862
Right-of-use assets	13	61,471	78,160
Investments accounted for using equity method	14	671,634	637,912
Financial assets at fair value through profit or loss	15	1,461,982	1,420,661
Debt investments	16	105,386	246,673
		2,313,915	2,400,268
Current assets			
Financial assets at fair value through profit or loss	15	1,323,620	824,634
Debt investments	16	519,275	961,626
Asset classified as held for sale	14(b)	65,377	–
Accounts and loans receivable	17	27,579	62,775
Prepaid consideration	18	660,976	378,751
Interest receivables		14,798	9,737
Prepayments and other receivables		19,355	19,909
Bank and cash balances		41,348	117,388
		2,672,328	2,374,820
TOTAL ASSETS		4,986,243	4,775,088
Capital and reserves			
Share capital	22	290,094	290,094
Reserves		4,276,211	3,824,351
TOTAL EQUITY		4,566,305	4,114,445



Condensed Consolidated Statement of Financial Position

At 30 September 2020

	Note	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Current liabilities			
Other payables		17,486	26,147
Lease liabilities	19	29,712	30,069
Loan payable	20	278,870	506,848
Financial liabilities at fair value through profit or loss	21	6,466	32,422
Tax payable		14,678	14,678
		347,212	610,164
Non-current liabilities			
Deferred tax liabilities		37,360	–
Lease liabilities	19	34,436	49,548
Financial liabilities at fair value through profit or loss	21	930	931
		72,726	50,479
TOTAL LIABILITIES		419,938	660,643
TOTAL EQUITY AND LIABILITIES		4,986,243	4,775,088
NET ASSETS		4,566,305	4,114,445
Net asset value per share	24	HK\$1.57	HK\$1.42

The notes on pages 44 to 102 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2020

		Unaudited						
		Share capital		Reserves				
		Issued capital	Share premium	Share-based payment reserve	Surplus reserve	Exchange reserve	Accumulated losses	Total
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	At 1 April 2020	290,094	4,674,804	48,718	515	(13,466)	(886,220)	4,114,445
	Vesting of share options	-	-	1,508	-	-	-	1,508
	Exchange difference arising from translation of foreign operations	-	-	-	-	23,598	-	23,598
	Total comprehensive income for the Period	-	-	-	-	1,341	425,413	426,754
	At 30 September 2020	290,094	4,674,804	50,226	515	11,473	(460,807)	4,566,305

The notes on pages 44 to 102 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2020

		Unaudited							
		Share capital		Reserves					
		Issued capital	Treasury shares	Share premium	Share-based payment reserve	Surplus reserve	Exchange reserve	Retained profits	Total
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2019		291,663	(1,569)	4,674,804	43,931	174	2,206	619,254	5,630,463
Vesting of share options	23	-	-	-	3,069	-	-	-	3,069
Cancellation of shares	22	(1,569)	1,569	-	-	-	-	-	-
Dividend paid		-	-	-	-	-	-	(133,443)	(133,443)
Exchange difference arising from translation of foreign operations		-	-	-	-	-	(14,816)	-	(14,816)
Total comprehensive income for the period		-	-	-	-	-	(152)	266,064	265,912
At 30 September 2019		290,094	-	4,674,804	47,000	174	(12,762)	751,875	5,751,185

The notes on pages 44 to 102 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2020

	Six months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	(54,626)	(52,835)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	(773,239)	(14,245)
Prepaid consideration for listed equity investment	–	(494,460)
Subscription of debt investments	–	(708,740)
Proceeds on distribution from/settlement of financial assets at fair value through profit or loss	326,170	66,670
Proceeds on settlement of debt investments	559,850	728,500
Net redemption of unlisted investment fund	60,523	15,000
Dividends received	44,315	81,318
Interests received	34,914	94,441
Net payments to co-investment partners	(20,927)	–
Purchase of fixed assets	–	(9,003)
Net cash generated from/(used in) investing activities	231,606	(240,519)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2020

	Six months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank loans	–	300,000
Repayment of bank loans	(230,813)	–
Dividend paid	–	(133,443)
Lease liabilities paid	(15,427)	(15,440)
Loan interests paid	(6,780)	(2,878)
Net cash (used in)/ generated from financing activities	(253,020)	148,239
NET DECREASE IN CASH AND CASH EQUIVALENTS	(76,040)	(145,115)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	117,388	193,800
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	41,348	48,685
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank and cash balances	41,348	48,685

The notes on pages 44 to 102 form an integral part of this condensed consolidated interim financial information.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

1 General information

Wealthking Investments Limited (formerly known as OP Financial Limited) (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The address of its principal place of business is 41st Floor, One Exchange Square, 8 Connaught Place, Central, Hong Kong. The Company is an investment holding company. The Company’s shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The condensed consolidated interim financial information is presented in Hong Kong dollars, unless otherwise stated.

The financial information relating to the year ended 31 March 2020 that is included in the condensed consolidated interim financial information for the six months ended 30 September 2020 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company will deliver the financial statements for the year ended 31 March 2020 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report, and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

2 Basis of preparation of the condensed consolidated interim financial information

The unaudited condensed consolidated interim financial information for the six months ended 30 September 2020 (the “Period”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2020, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by HKICPA. The accounting policies and methods of computation used in the preparation of these condensed consolidated interim financial information are consistent with those used in the annual financial statements for the year ended 31 March 2020, except as stated in note 3 below.

3 Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2020 as described in those annual financial statements, except:

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

3 Accounting policies (Continued)

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs and HKASs issued by the HKICPA which are mandatorily effective for the annual period beginning on 1 April 2020 for the preparation of the Group's condensed consolidated interim financial information:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the Amendments to References to the Conceptual Framework in HKFRS Standards and the amendments to HKFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial information.

The application of the amendments in the current period had no impact on the condensed consolidated financial information. Changes in presentation and disclosures on the application of the amendments, if any, will be reflected on the consolidated financial statements for the year ending 31 March 2021.

4 Critical accounting estimates and judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

4 Critical accounting estimates and judgement (Continued)

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Current and deferred tax

Significant estimates are required in determining the provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax provisions in the period in which such determination is made. For details, please refer to note 9 to the condensed consolidated interim financial information.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates that have been enacted or substantively enacted by the consolidated statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

4 Critical accounting estimates and judgement (Continued)

(b) Fair value estimation of financial instruments not quoted in an active market

The Group selects appropriate valuation techniques for financial instruments not quoted in an active market. The fair values of unlisted investments are determined in accordance with generally accepted pricing models such as Discounted Cash Flow Method and Market Comparable Approach. The values assigned to these unlisted investments are based upon available information and do not necessarily represent amounts which might ultimately be realized, since such amounts depend on future circumstances and cannot be reasonably determined until the individual position is realized.

(c) Impairment assessment on debt investments and accounts receivable

The Group performs ongoing credit evaluation of debt investments and accounts receivable, and their current creditworthiness, as determined by the review of their current credit information. The Group continuously monitors collections and payments from its investees and debtors and the fair value of respective collaterals obtained by the Group, if any. If the financial conditions of the investees and debtors of the Group deteriorate, resulting in an impairment of their ability to make payments, an allowance may be considered.

(d) Fair value of underlying investments of investments accounted for using equity method

As indicated in note 14 to the condensed consolidated interim financial information, the Group determines the value of the underlying investment of an associate using market comparison approach. The values assigned to these investments are based upon available information and do not necessarily represents amounts which might ultimately be realized, since such amounts depend on future circumstance and cannot be reasonably determined until the individual position is realized.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

5 Financial instruments

(a) Financial risk management

The Group's activities expose it to a variety of financial risks: foreign currency risk, interest rate risk, equity price risk, credit risk and liquidity risk.

The condensed consolidated interim financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements for the year ended 31 March 2020.

There has been no change in the risk management policies since year ended 31 March 2020.

(b) Fair value estimation

The fair values of the Group's financial assets and liabilities are not materially different from their carrying amounts.

The fair value of financial instruments traded in active markets is based on quoted market prices for identical instruments at the reporting date. A market is regarded as active if quoted prices are readily and regularly available, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1. The Group use market closing price to value its listed equity investments which is permitted under HKFRS 13.

Other unlisted equity investments, unlisted investment funds, unlisted limited partnership and unlisted debt investments are stated at their fair values, which are determined by reference to the valuation in accordance with generally accepted valuation methodologies or the prices quoted by fund administrators.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

5 Financial instruments (Continued)

(b) Fair value estimation (Continued)

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Disclosures of level in fair value hierarchy as at 30 September 2020 (unaudited)

Fair value measurement using:

Description	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss				
Listed equity securities	42,767	-	-	42,767
Unlisted equity investments	-	-	2,624,531	2,624,531
Unlisted investment funds/limited partnership	-	32,640	17,074	49,714
Unlisted debt investments	-	-	68,590	68,590
Total	42,767	32,640	2,710,195	2,785,602
Prepaid consideration	-	660,976	-	660,976
Financial liabilities at fair value through profit or loss	-	-	(7,396)	(7,396)

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

5 Financial instruments (Continued)

(b) Fair value estimation (Continued)

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

Description	Period ended 30 September 2020 (unaudited)					
	Financial assets at fair value through profit or loss					
	Unlisted equity investments HK\$'000	Unlisted funds/ limited partnership HK\$'000	Unlisted debt investments HK\$'000	Total assets HK\$'000	Financial liabilities at fair value through profit or loss	
					Total liabilities HK\$'000	Total liabilities HK\$'000
At beginning of the Period	1,959,579	28,089	67,438	2,055,106	(33,353)	(33,353)
Total gains or losses recognized – in profit or loss ⁽⁴⁾	89,105	(1,323)	1,152	88,934	4,085	4,085
Purchases/Additions	700,000	-	-	700,000	-	-
Disposals/Distributions	(124,153)	(9,692)	-	(133,845)	21,872	21,872
At end of the Period	2,624,531	17,074	68,590	2,710,195	(7,396)	(7,396)
⁽⁴⁾ Total gains or losses included in profit or loss that is attributable to the change in unrealized gains or loss relating to those assets and liabilities held at the end of the report period	74,213	(131)	1,152	75,234	4,147	4,147



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

5 Financial instruments (Continued)

(b) Fair value estimation (Continued)

Disclosures of level in fair value hierarchy as at 31 March 2020 (Audited)

Fair value measurement using:

Description	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets at fair value through profit or loss				
Listed equity securities	164,888	-	-	164,888
Unlisted equity investments	-	-	1,959,579	1,959,579
Unlisted investment funds/limited partnership	-	25,301	28,089	53,390
Unlisted debt investments	-	-	67,438	67,438
Total	164,888	25,301	2,055,106	2,245,295
Financial liabilities at fair value through profit or loss				
	-	-	(33,353)	(33,353)

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

5 Financial instruments (Continued)

(b) Fair value estimation (Continued)

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

Description	Year ended 31 March 2020 (Audited)					
	Financial assets at fair value through profit or loss			Total assets HK\$'000	Financial liabilities at fair value through profit or loss HK\$'000	Total liabilities HK\$'000
	Unlisted equity investments HK\$'000	Unlisted investment funds/limited partnership HK\$'000	Unlisted debt investments HK\$'000			
At beginning of the year	1,854,280	47,814	124,618	2,026,712	(101,991)	(101,991)
Total gains or losses recognized						
– in profit or loss ⁽ⁱ⁾	(200,819)	(25,997)	(33,750)	(260,566)	68,638	68,638
Purchases/Additions	435,000	6,272	–	441,272	–	–
Disposals/Distributions	(128,882)	–	(23,430)	(152,312)	–	–
At end of the year	1,959,579	28,089	67,438	2,055,106	(33,353)	(33,353)

⁽ⁱ⁾ Total gains or losses included in profit or loss that is attributable to the change in unrealized gains or loss relating to those assets and liabilities held at the end of the report period

	(200,450)	(25,996)	(35,341)	(261,787)	89,974	89,974
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[#] For financial assets at fair value through profit or loss, the total gains or losses recognized, including those for assets held at the end of reporting period, are presented in profit or loss in “net change in unrealized gain/loss on financial assets at fair value through profit or loss”.

Financial liabilities at fair value through profit or loss are presented in the profit or loss in “net change in unrealized gain on financial liabilities at fair value through profit or loss”.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

5 Financial instruments (Continued)

(b) Fair value estimation (Continued)

The condensed consolidated interim financial information includes holdings in unlisted financial instruments which are measured at fair value. Fair values are estimated using generally accepted pricing models, which included some assumptions that are not supportable by observable market rates. In determining the fair value, certain unobservable inputs and a risk adjusted discount factor were used.

(Unaudited)

Description	Fair value at 30 September 2020 (Unaudited) HK\$'000	Fair value at 31 March 2020 (Audited) HK\$'000	Fair value hierarchy	Valuation techniques	Unobservable Inputs	30 September 2020 Range	31 March 2020 Range	Relationship of unobservable inputs to fair value
Financial assets at fair value through profit or loss								
Unlisted partnership interests	17,074	28,089	Level 3	Share of net assets	N/A	N/A	N/A	N/A
Unlisted equity investments	2,308,981	1,601,950	Level 3	Latest transaction price	N/A	N/A	N/A	N/A
Unlisted equity investments	421	313	Level 3	Market comparable companies	Earnings multiples	-20.8x	-13.3x	The higher the multiples, the higher the fair value
					Discount rate for lack of marketability	30%	30%	The higher the discount rate, the lower the fair value



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

5 Financial instruments (Continued)

(b) Fair value estimation (Continued)

Description	Fair value at 30 September 2020 (Unaudited) HK\$'000	Fair value at 31 March 2020 (Audited) HK\$'000	Fair value hierarchy	Valuation techniques	Unobservable Inputs	30 September 2020 Range	31 March 2020 Range	Relationship of
								unobservable inputs to fair value
Unlisted equity investments	-	51,690	Level 3	N/A (31 March 2020: Market comparable companies)	N/A (31 March 2020: Earnings multiples)	N/A	-38.8x	N/A (31 March 2020: The higher the multiples, the higher the fair value)
					N/A (31 March 2020: Discount rate for lack of marketability and control)	N/A	46.2%	N/A (31 March 2020: The higher the discount rate, the lower the fair value)
Unlisted equity investments	145,538	129,943	Level 3	Share of net assets	N/A	N/A	N/A	N/A
Unlisted non-voting preference shares	512	48,648	Level 3	Share of net assets	N/A	N/A	N/A	N/A
Unlisted non-voting preference shares	56,560*	43,120*	Level 3	Discounted cash flow	Discount rate	13.03%	12.83%	The higher the discount rate, the lower the fair value
					Long term growth rate	3%	3%	The higher the growth rate, the higher the fair value
					Discount for lack of marketability and control	40.6%	40.6%	The higher the discount rate, the lower the fair value

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

5 Financial instruments (Continued)

(b) Fair value estimation (Continued)

Description	Fair value at	Fair value at	Fair value hierarchy	Valuation techniques	Unobservable Inputs	30 September	31 March	Relationship of unobservable inputs to fair value
	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000				2020 Range	2020 Range	
Unlisted preference shares	112,519	83,915*	Level 3	Latest transaction price (31 March 2020: Market comparable companies)	N/A (31 March 2020: Market capitalization movement of comparable companies)	N/A	N/A	N/A
Unlisted bond	68,590	67,438	Level 3	Market comparable companies	Earnings multiples Discount rate for lack of marketability	-17.7x 30%	-13.3x 30%	The higher the multiples, the higher the fair value The higher the discount rate, the lower the fair value
	2,710,195	2,055,106						

* Fair value estimated with the assistance of an external independent valuer

The change in valuation disclosed in the above table shows the direction an increase or decrease in the respective input variables would have on the valuation result.

No interrelationships between unobservable inputs used in the Group's valuation of its Level 3 investments have been identified.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

6 Turnover and revenue

Turnover represents the aggregate of dividend income, interest income and gross sales proceeds from disposal of equity investments.

	Six months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Dividend income	551	3,078
Interest income	47,720	103,056
Revenue	48,271	106,134
Gross sales proceeds from disposal of equity investments	386,693	68,048
Turnover	434,964	174,182

7 Segment information

The chief operating decision maker has been identified as the executive directors, subject to requirements of the Listing Rules. The executive directors assess 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 executive directors 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.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

7 Segment information (Continued)

Geographical information

	Six months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Revenue		
Hong Kong	14,436	61,762
Mainland China	553	4,358
United States of America	33,282	40,014
	48,271	106,134

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

	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Non-current assets other than financial instruments		
Hong Kong	189,677	197,136
Mainland China	556,870	535,798



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

7 Segment information (Continued)

Information about major investments

During the Period, interest income received from four of the Group's debt investments, which individually accounted for 10% (2019: 10%) or more of the Group's revenue amounted to approximately HK\$11,947,000, HK\$10,600,000, HK\$9,180,000 and HK\$6,578,000 respectively (2019: interest income received from four of the Group's debt investments amounted to approximately HK\$22,047,000, HK\$14,846,000, HK\$12,519,000 and HK\$11,395,000 respectively).

8 Finance costs

	Six months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Interest on bank loans and other borrowings	7,985	4,963
Interest on lease liabilities	1,688	2,054
	9,673	7,017



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

9 Taxation

	Six months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Hong Kong Profits Tax:		
Current tax	–	85
Deferred tax	–	(40,851)
China Corporate Income Tax:		
Deferred tax	37,360	–
	<hr/>	<hr/>
Total tax expense	37,360	(40,766)

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

Taxation on overseas profit has been calculated on the estimated assessable profit for the Period/year at the rates of taxation prevailing in that overseas country.

Deferred tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the condensed consolidated financial information.

As at 30 September 2020 and 31 March 2020, deferred tax asset has not been recognized until it becomes probable that future profits will allow the deferred tax assets to be recovered.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

10 Profit for the Period

The Group's profit for the Period is stated after charging the followings:

	Six months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Auditor's remuneration	1,440	1,477
Depreciation of fixed assets	3,420	2,458
Depreciation of right-of-use assets	14,959	20,214
Investment management fee (Note 26(a))	6,900	6,900
Staff costs (including directors' emoluments)		
Salaries and other benefits	11,698	26,777
Retirement benefits scheme contributions	273	335
Equity-settled share based compensation	1,508	3,069
	13,479	30,181



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

11 Dividend

The Board has resolved not to pay any interim dividend in respect of the Period (2019: Nil).

12 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the Period by the weighted average number of ordinary shares in issue during the Period.

	Six months ended 30 September	
	2020 (Unaudited)	2019 (Unaudited)
Profit for the Period (HK\$'000)	425,413	266,064
Weighted average number of ordinary shares in issue (in thousand)	2,900,940	2,900,940
Basic earnings per share (HK\$)	14.66 cents	9.17 cents



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

12 Earnings per share (Continued)

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the company's shares during the Period) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Six months ended 30 September	
	2020 (Unaudited)	2019 (Unaudited)
Profit for the Period (HK\$'000)	425,413	266,064
Weighted average number of ordinary shares in issue (in thousand)	2,900,940	2,900,940
Adjustment for share options (in thousand)	–	9,793
Weighted average number of ordinary shares for diluted earnings per share (in thousand)	2,900,940	2,910,733
Diluted earnings per share (HK\$)	14.66 cents	9.14 cents

Diluted earnings per share for the period ended 30 September 2020 was the same as the basic earnings per share as the Company's outstanding share options had anti-dilutive effect.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

13 Fixed Assets and Right-of-Use Assets

	Motor vehicles HK\$'000	Computer equipment HK\$'000	Office equipment HK\$'000	Furniture HK\$'000	Leasehold improvement HK\$'000	Total HK\$'000	Right-of- use assets HK\$'000
Cost							
At 1 April 2019	777	1,013	116	578	2,746	5,230	-
Adjustment for change in accounting policy	-	-	-	-	-	-	119,810
At 1 April 2019, restated	777	1,013	116	578	2,746	5,230	119,810
Additions	-	765	94	1,625	15,158	17,642	-
At 30 September 2019	777	1,778	210	2,203	17,904	22,872	119,810
Accumulated depreciation							
At 1 April 2019	237	369	17	156	333	1,112	-
Charge for the period	130	166	22	197	1,943	2,458	20,214
At 30 September 2019	367	535	39	353	2,276	3,570	20,214
Carrying amount							
At 30 September 2019	410	1,243	171	1,850	15,628	19,302	99,596
Cost							
At 1 April 2020	777	1,795	269	2,407	18,666	23,914	118,350
Adjustment for lease modification	-	-	-	-	-	-	(1,730)
At 30 September 2020	777	1,795	269	2,407	18,666	23,914	116,620
Accumulated depreciation							
At 1 April 2020	496	724	70	640	5,122	7,052	40,190
Charge for the Period	130	196	32	289	2,773	3,420	14,959
At 30 September 2020	626	920	102	929	7,895	10,472	55,149
Carrying amount							
At 30 September 2020	151	875	167	1,478	10,771	13,442	61,471

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

14 Investments accounted for using equity method

	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Associates	671,634	637,912
Joint ventures	–	–
	671,634	637,912

Details of the investments as at 30 September 2020 and 31 March 2020 are as follows:

Name of entity	Percentage of ownership interest	Carrying amount at	
		30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Associates			
CSOP Asset Management Limited (“CSOP”)	22.5% (31.3.2020: 22.5%)	107,282	95,023
Guotai Junan Fund Management Limited	29.9% (31.3.2020: 29.9%)	7,482	7,091
OPIM Holdings Limited (“OPIMH”)	30% (31.3.2020: 30%)	–	–
Treasure Up Ventures Limited (“TUVL”) (Note a)	25% (31.3.2020: 25%)	412,587	342,741
iCarbonX OP Investment Limited	29% (31.3.2020: 29%)	–	–

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

14 Investments accounted for using equity method (Continued)

Name of entity	Percentage of ownership interest	Carrying amount at	
		30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
BE Financial Service (Beijing) Investment Holdings Limited ("BEFS") (Note b)	20% (31.3.2020: 20%)	–	55,520
東英騰華融資租賃(深圳)有限公司("東英騰華")	30% (31.3.2020: 30%)	74,329	70,405
上海赫奇企業管理諮詢有限公司("上海赫奇")	23.52% (31.3.2020: 23.52%)	69,474	66,652
粵港澳大灣區昆侖投資基金管理有限公司("昆侖投資基金")	30% (31.3.2020: 30%)	480	480
東創智能(海南)數字科技有限公司("東創智能")	30% (31.3.2020: 30%)	–	–
Joint ventures			
OP EBS Fintech Investment L.P. ("OP EBS Fintech") (Note c)	40% (31.3.2020: 40%)	–	–
Shen Jiang L.P.	50% (31.3.2020: 50%)	–	–
Magopt Investment L.P.	50% (31.3.2020: 50%)	–	–
		671,634	637,912



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

14 Investments accounted for using equity method (Continued)

- (a) The fair value as at 30 September 2020 was determined using equity pick up method by the directors which the underlying investment referencing to the valuation carried out by an external independent valuer by using the market comparison approach. Determination of fair value is based on the best information available in the circumstances and includes appropriate risk adjustments for lack of marketability. Factors considered in determining the fair value of these investments include multiples of comparable companies listed on stock exchanges and discount rates based on market information.
- (b) On 21 August 2017, the Company entered into a shareholders' agreement with Beijing Enterprises Water Group ("BEWG") and Shanghai Hengshi Wealth Investment Limited to establish BEFS for the purpose of providing fund investment and management services for Beijing Enterprises Water Group.

During the Period, the Company signed a share transfer agreement (the "Share Transfer Agreement") with Beijing Enterprises Water Group (China) Investment Limited ("BECI"), an entity controlled by BEWG, to dispose of all the BEFS issued shares at a consideration of RMB59,458,000. The disposal is still in process and has not been completed by 30 September 2020.

Based on the fact that the share transfer agreement was signed before the reporting date, the carrying amount of BEFS is re-classified as "Asset classified as held for sale" in accordance with HKFRS 5 as at 30 September 2020.

During the Period, BEFS declared dividends and the Company received, net of tax, cash dividend of RMB8,127,899 (equivalent to approximately HK\$8,900,000).



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

14 Investments accounted for using equity method (Continued)

- (c) The Company, through a subsidiary, OP Fintech Holdings Limited, signed a limited partnership agreement in which the Company acted as general partner and sub-ordinated limited partner of OP EBS Fintech and contributed US\$20,000,000, or approximately HK\$156,255,000 to the limited partnership. OP EBS Fintech is established for the purpose of investing into PRC companies in Fin-tech industry.

Pursuant to the Share Charge, our sub-ordinated limited partner's interest has been charged in favour of the preferred limited partner of OP EBS Fintech ("PLP") to secure any outstanding amounts owed. Upon the exercise of right of redemption by the PLP, the Group could either make new capital contribution to the limited partnership to fund the relative proportion of the PLP redemption amount, or settle the proportional redemption amount by transferring the Group's subordinated limited partner's interest to the PLP under the Share Charge.

A notice of withdrawal has been received by OP Fintech Holdings Limited on 2 September 2020, indicating the expiry of PLP's term and its intention to exit. Pursuant to the terms of the LPA, OP Fintech Holdings Limited is required to remit approximately US\$18,236,000 to the limited partnership to facilitate PLP's exit. The Board considered the challenges and uncertainties the investee faced in fintech industries and business environments in Mainland China, and expected that the cost to retain its investment interest outweighs the potential benefits. As such, the Group intended to settle the required remittance obligation by transferring its SLP interest to PLP under the Share Charge.

The transfer of SLP interest to PLP has not been completed by the report date. However, the management assessed the position and potential challenges faced by the investee and expected the remaining investment value over the required remittance to be insignificant. As such, the carrying value of the investment is valued at zero.

For the description of the business and financial information of the investments, please refer to the Company's 2019/20 annual report.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

15 Financial assets at fair value through profit or loss

	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Listed equity securities	42,767	164,888
Unlisted equity investments	2,624,531	1,959,579
Unlisted investment funds/limited partnership	49,714	53,390
Unlisted debt investments	68,590	67,438
	2,785,602	2,245,295
Analysed as:		
Current assets	1,323,620	824,634
Non-current assets	1,461,982	1,420,661
	2,785,602	2,245,295

During the Period, net change in unrealized gain of approximately HK\$458,218,000 (2019: gain of HK\$364,696,000) arising from changes in fair value of financial assets at fair value through profit or loss was recognized in the condensed consolidated statement of profit or loss and other comprehensive income.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

16 Debt investments

	Carrying amount at	
	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Unlisted debt investments	1,121,692	1,750,562
Provision for expected credit losses ("ECL")	(497,031)	(542,263)
Total unlisted debt investments, net	624,661	1,208,299
Analysed as:		
Current assets	519,275	961,626
Non-current assets	105,386	246,673
	624,661	1,208,299

The investments carried fixed interest rate and they are expected to be settled on maturity date.

The fair value of the debt investments approximates its carrying value.

Provision for ECL was recognized in the condensed consolidated statement of profit or loss and other comprehensive income as follows:

	Carrying amount at	
	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Opening balance	542,263	63,361
Net (credited)/charged during the Period/year	(45,232)	478,902
Closing balance	497,031	542,263

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

17 Accounts and loans receivable

	Note	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Unsecured loan to a third party	(a)	–	–
Accounts receivable	(b)	1,065	1,401
Amounts due from associates, joint ventures and related companies	(c)	26,514	26,510
Dividend receivable	(d)	–	34,864
		27,579	62,775
Analyzed as:			
Current assets		27,579	62,775
(a)		30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Unsecured loan		68,205	65,430
Impairment loss		(68,205)	(65,430)
		–	–

Unsecured loan of RMB60,000,000, approximately HK\$68,205,000 (31 March 2020: HK\$65,430,000), is provided to a third party established in the PRC. Impairment loss of RMB60,000,000 (31 March 2020: RMB60,000,000), approximately HK\$68,205,000 (31 March 2020: HK\$65,430,000) is recognized against unsecured loan at 30 September 2020 based on estimated recoverable amount determined by reference to an analysis of the counterparty's current operation.

The Group does not hold any collateral or other credit enhancement over the balance.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

17 Accounts and loans receivable (Continued)

- (b) The Group does not hold any collateral or other credit enhancements over the accounts receivable from co-investment partners. The aging analysis of accounts receivable based on the invoice date is as follows:

	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Unbilled	1,065	1,401

As at 30 September 2020 and 31 March 2020, the accounts receivable were neither past due nor impaired.

- (c) Amounts due from associates, joint ventures and related companies arise mainly from advance money provided for potential investment project(s) and administrative expenses paid by the Group on behalf of its associates, joint ventures and related companies. The amounts are unsecured, interest-free and repayable on demand.
- (d) Dividend receivable represents dividend declared by CSOP as at 31 March 2020.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

18 Prepaid consideration

	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Prepaid consideration	660,976	378,751

As at 31 March 2020, the balance of HK\$379 million represented the net carrying value of the Group's prepaid consideration to purchase a total of 63,202,590 shares ("the Shares"), or 19.9% of total capital of Dagang Holding Group CO., LTD. (stock code: 300103.SZ). The acquisition has not been completed as at 31 March 2020 due to transfer restriction imposed on the Shares by a third party pledgee, whom the Shares were pledged to. As at 30 September 2020, taking into account the expiry of the 2nd MOU signed on 30 June 2020, the substance of the transaction and the fact that the Group has the option to continue the acquisition, the prepaid consideration was measured at fair value. The shares have been successfully transferred and registered under the Group as disclosed in the Company's announcement on 23 October 2020.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

19 Lease liabilities

The condensed consolidated statement of financial position shows the following amounts relating to leases:

	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Lease liabilities		
– Current	29,712	30,069
– Non-current	34,436	49,548
	64,148	79,617

The condensed consolidated statement of profit or loss includes the following amounts relating to leases:

	Six months ended 30 September 2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Depreciation of right-of-use assets	14,959	20,214
Interest expenses (included in finance costs)	1,688	2,054

The total cash outflow for leases during the Period was HK\$15,427,000 (2019: HK\$15,440,000).



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

20 Loan payable

	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Bank borrowings (note a)	179,187	410,000
Other borrowing		
– Interest bearing (note b)	30,000	30,000
– Non-interest bearing (note c)	69,683	66,848
	278,870	506,848

Notes:

- (a) All bank borrowings are unsecured, repayable within 1 year and denominated in HKD.
- (b) The interest-bearing other borrowing is unsecured, interest bearing at 8% per annum and repayable within 1 year.
- (c) Non-interest bearing loan represents RMB61,300,000 (equivalent to approximately HK\$69,683,000) (31 March 2020: HK\$66,848,000) loan due to 上海赫奇 for a potential investment opportunity in the PRC. The borrowing is unsecured, non-interest bearing and repayable on demand.
- (d) The carrying amounts of the Group's and the Company's loan payable approximate to their fair values.
- (e) The average effective interest rate of bank and other borrowings was 5.22% (31 March 2020: 4.95%).

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

21 Financial liabilities at fair value through profit or loss

	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Current liabilities		
Provision for loan guarantee (note a)	–	21,810
Payable to investment partners (note b)	6,466	10,612
	6,466	32,422
Non-current liabilities		
Staff participation interest payable	930	931
	930	931

- (a) As at 31 March 2020, the Group had fully recognized the loan guarantee of RMB20,000,000 (equivalent to HK\$21,810,000) given to 上海幸福九號網絡科技有限公司 for its settlement of RMB20,000,000 loan (equivalent to HK\$21,810,000) provided by 博石資產管理股份有限公司.

The amount was fully settled on 22 May 2020. For details please refer to note 28.

- (b) Pursuant to the financial participation arrangement signed in May 2018 with investment partners, the Group received US\$1,950,000 (equivalent to approximately HK\$15,267,000) from those investment partners and in return, shared a portion of the Group's future realized trading result of one of the equity investments on a back-to-back basis.

As at 30 September 2020, the investment partners' interests in the equity investment were reduced to HK\$6,466,000 by sharing the unrealized loss of the underlying equity investments (31 March 2020: HK\$10,612,000). An unrealized gain of approximately HK\$4,140,000 (2019: gain of HK\$21,234,000) was recognized in profit or loss.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

22 Share capital

	Number of shares			
	30 September 2020 Thousand shares	31 March 2020 Thousand shares	30 September 2020 HK\$'000	31 March 2020 HK\$'000
<i>Authorized</i>				
Ordinary shares of HK\$0.10 each	4,000,000	4,000,000	400,000	400,000
At beginning of the Period/ year, issued and fully paid	2,900,940	2,916,628	290,094	291,663
Share repurchased and cancelled (note a)	-	(15,688)	-	(1,569)
At end of the Period/year, issued and fully paid	2,900,940	2,900,940	290,094	290,094

(a) All 15,688,000 treasury shares have been cancelled on 17 July 2019.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

23 Share option scheme

Under the Share Option Scheme adopted on 19 March 2003, refreshed on 21 January 2008 and 17 May 2016, the Board may at any time following the date of adoption and before the tenth anniversary thereof, offer to grant to certain selected classes participants (including, among others, directors, employees and consultants) of the Company, an option to subscribe for shares as incentives or rewards for their contribution to the Company. The subscription price will be determined by the Board (subject to adjustment), and will not be less than the highest of (a) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (b) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet for the five trading days immediately preceding the date of grant; and (c) the nominal value of the shares of the Company. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under this scheme and any other share option schemes adopted by the Company may not exceed 10% of the share capital of the Company in issue.

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option. An option may be exercised in accordance with the terms of the share option scheme at any time not later than 10 years from the date on which the offer for grant of the option is made. Subject to the terms of the share options determined by the Board, the participant may have to meet certain vesting conditions before becoming unconditionally entitled to the share options. For the share options that existed during the periods ended 30 September 2020 and 2019, vesting conditions includes performance conditions such as complete or successful exit of specified investment projects and market conditions such as the Company's market capitalization. Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

23 Share option scheme (Continued)

Movement of the Company's share options during the Period:

Grantee	Date of grant	Outstanding at the beginning of the Period	Granted/ (forfeited) during the Period	Outstanding at the end of the Period	Exercisable at the end of the Period	Exercise price HK\$	Exercise period
Ex-director	20.5.2016	1,750,000	–	1,750,000	1,750,000	1.65	20.5.2017 to 19.5.2021
Ex-director	20.5.2016	1,750,000	–	1,750,000	1,750,000	1.65	20.5.2018 to 19.5.2021
Ex-director	20.5.2016	1,750,000	–	1,750,000	1,750,000	1.65	20.5.2019 to 19.5.2021
Ex-director	20.5.2016	1,750,000	–	1,750,000	1,750,000	1.65	20.5.2020 to 19.5.2021
Directors of group companies	20.5.2016	4,500,000	–	4,500,000	4,500,000	1.65	20.5.2017 to 19.5.2021
Directors of group companies	20.5.2016	4,500,000	–	4,500,000	4,500,000	1.65	20.5.2018 to 19.5.2021
Directors of group companies	20.5.2016	4,500,000	–	4,500,000	4,500,000	1.65	20.5.2019 to 19.5.2021
Directors of group companies	20.5.2016	4,500,000	–	4,500,000	4,500,000	1.65	20.5.2020 to 19.5.2021

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

23 Share option scheme (Continued)

Grantee	Date of grant	Outstanding at the beginning of the Period	Granted/ (forfeited) during the Period	Outstanding at the end of the Period	Exercisable at the end of the Period	Exercise price HK\$	Exercise period
Employees/ ex-employees	20.5.2016	4,700,000	–	4,700,000	4,700,000	1.65	20.5.2017 to 19.5.2021
Employees/ ex-employees	20.5.2016	5,000,000	–	5,000,000	5,000,000	1.65	20.5.2018 to 19.5.2021
Employees/ ex-employees	20.5.2016	5,000,000	–	5,000,000	5,000,000	1.65	20.5.2019 to 19.5.2021
Employees/ ex-employees	20.5.2016	5,000,000	–	5,000,000	5,000,000	1.65	20.5.2020 to 19.5.2021
Consultants	20.5.2016	1,250,000	–	1,250,000	1,250,000	1.65	20.5.2017 to 19.5.2021
Consultants	20.5.2016	1,250,000	–	1,250,000	1,250,000	1.65	20.5.2018 to 19.5.2021
Consultants	20.5.2016	1,250,000	–	1,250,000	1,250,000	1.65	20.5.2019 to 19.5.2021
Consultants	20.5.2016	1,250,000	–	1,250,000	1,250,000	1.65	20.5.2020 to 19.5.2021
Ex-director	1.2.2018	2,500,000	–	2,500,000	2,500,000	2.60	1.2.2019 to 31.1.2023



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23 Share option scheme (Continued)

Grantee	Date of grant	Outstanding at the beginning of the Period	Granted/ (forfeited) during the Period	Outstanding at the end of the Period	Exercisable at the end of the Period	Exercise price HK\$	Exercise period
Ex-director	1.2.2018	2,500,000	-	2,500,000	2,500,000	2.60	1.2.2020 to 31.1.2023
Ex-director	1.2.2018	2,500,000	-	2,500,000	-	2.60	1.2.2021 to 31.1.2023
Ex-director	1.2.2018	2,500,000	-	2,500,000	-	2.60	1.2.2022 to 31.1.2023
Employees/ ex-employees	1.2.2018	3,000,000	-	3,000,000	3,000,000	2.60	1.2.2019 to 31.1.2023
Employees/ ex-employees	1.2.2018	3,000,000	-	3,000,000	3,000,000	2.60	1.2.2020 to 31.1.2023
Employees/ ex-employees	1.2.2018	3,000,000	-	3,000,000	-	2.60	1.2.2021 to 31.1.2023
Employees/ ex-employees	1.2.2018	3,000,000	-	3,000,000	-	2.60	1.2.2022 to 31.1.2023
		71,700,000	-	71,700,000	60,700,000		

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

23 Share option scheme (Continued)

Movement of the Company's share options during the six months ended 30 September 2019:

Grantee	Date of grant	Outstanding at the beginning of the period	Granted/ (exercised) during the period	Outstanding at the end of the period	Exercisable at the end of the period	Exercise price HK\$	Exercise period
Director	20.5.2016	1,750,000	-	1,750,000	1,750,000	1.65	20.5.2017 to 19.5.2021
Director	20.5.2016	1,750,000	-	1,750,000	1,750,000	1.65	20.5.2018 to 19.5.2021
Director	20.5.2016	1,750,000	-	1,750,000	1,750,000	1.65	20.5.2019 to 19.5.2021
Director	20.5.2016	1,750,000	-	1,750,000	-	1.65	20.5.2020 to 19.5.2021
Directors of group companies	20.5.2016	4,500,000	-	4,500,000	4,500,000	1.65	20.5.2017 to 19.5.2021
Directors of group companies	20.5.2016	4,500,000	-	4,500,000	4,500,000	1.65	20.5.2018 to 19.5.2021
Directors of group companies	20.5.2016	4,500,000	-	4,500,000	4,500,000	1.65	20.5.2019 to 19.5.2021
Directors of group companies	20.5.2016	4,500,000	-	4,500,000	-	1.65	20.5.2020 to 19.5.2021
Employees	20.5.2016	4,700,000	-	4,700,000	4,700,000	1.65	20.5.2017 to 19.5.2021



Notes to the Condensed Consolidated Interim Financial Information

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23 Share option scheme (Continued)

Grantee	Date of grant	Outstanding at the beginning of the period	Granted/ (exercised) during the period	Outstanding at the end of the period	Exercisable at the end of the period	Exercise price HK\$	Exercise period
Employees	20.5.2016	5,000,000	-	5,000,000	5,000,000	1.65	20.5.2018 to 19.5.2021
Employees	20.5.2016	5,000,000	-	5,000,000	5,000,000	1.65	20.5.2019 to 19.5.2021
Employees	20.5.2016	5,000,000	-	5,000,000	-	1.65	20.5.2020 to 19.5.2021
Consultants	20.5.2016	1,500,000	-	1,500,000	1,500,000	1.65	20.5.2017 to 19.5.2021
Consultants	20.5.2016	1,500,000	-	1,500,000	1,500,000	1.65	20.5.2018 to 19.5.2021
Consultants	20.5.2016	1,500,000	-	1,500,000	1,500,000	1.65	20.5.2019 to 19.5.2021
Consultants	20.5.2016	1,500,000	-	1,500,000	-	1.65	20.5.2020 to 19.5.2021
Director	1.2.2018	2,500,000	-	2,500,000	2,500,000	2.60	1.2.2019 to 31.1.2023
Director	1.2.2018	2,500,000	-	2,500,000	-	2.60	1.2.2020 to 31.1.2023
Director	1.2.2018	2,500,000	-	2,500,000	-	2.60	1.2.2021 to 31.1.2023

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

23 Share option scheme (Continued)

Grantee	Date of grant	Outstanding at the beginning of the period	Granted/ (exercised) during the period	Outstanding at the end of the period	Exercisable at the end of the period	Exercise price HK\$	Exercise period
Director	1.2.2018	2,500,000	-	2,500,000	-	2.60	1.2.2022 to 31.1.2023
Employees	1.2.2018	2,500,000	-	2,500,000	2,500,000	2.60	1.2.2019 to 31.1.2023
Employees	1.2.2018	2,500,000	-	2,500,000	-	2.60	1.2.2020 to 31.1.2023
Employees	1.2.2018	2,500,000	-	2,500,000	-	2.60	1.2.2021 to 31.1.2023
Employees	1.2.2018	2,500,000	-	2,500,000	-	2.60	1.2.2022 to 31.1.2023
Former employee	1.2.2018	500,000	-	500,000	500,000	2.60	1.2.2019 to 31.1.2023
Former employee	1.2.2018	500,000	-	500,000	-	2.60	1.2.2020 to 31.1.2023
Former employee	1.2.2018	500,000	-	500,000	-	2.60	1.2.2021 to 31.1.2023
Former employee	1.2.2018	500,000	-	500,000	-	2.60	1.2.2022 to 31.1.2023
		72,700,000	-	72,700,000	43,450,000		



Notes to the Condensed Consolidated Interim Financial Information

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23 Share option scheme (Continued)

Notes:

- (a) The closing prices of the ordinary shares of the Company immediately before the date on option grant date were HK\$1.45 and HK\$2.57 on 20 May 2016 and 1 February 2018 respectively.
- (b) The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

Details of the share options granted on 20 May 2016 was as follows:

Theoretical aggregate value:	HK\$32,822,000
Fair value recognized in profit or loss during the Period:	HK\$Nil (2019: HK\$280,000)
Risk free interest rate:	1.079%
Expected volatility:	62.58%
Expected life of the options:	5 years from the date of grant
Expected dividend yield:	4.58%

Details of the share options granted on 1 February 2018 was as follows:

Theoretical aggregate value:	HK\$20,539,000
Fair value recognized in profit or loss during the Period:	HK\$1,508,000 (2019: HK\$2,789,000)
Risk free interest rate:	1.828%
Expected volatility:	43.30%
Expected life of the options:	5 years from the date of grant
Expected dividend yield:	0.93%

The measurement dates of the share options were 20 May 2016 and 1 February 2018, being the dates of grant of the share options. Where the grantees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest or lapse.

Options forfeited, if any, before the expiry of the options will be treated as lapsed options which will be added back to the number of ordinary shares available to be issued under the Share Option Scheme.

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



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

24 Net asset value per share

The net asset value per share is calculated by dividing the net asset value of the Group as at 30 September 2020 of approximately HK\$4,566,305,000 (31 March 2020: HK\$4,114,445,000) by the number of ordinary shares in issue less treasury shares at that date, being 2,900,940,000 (31 March 2020: 2,900,940,000).

25 Commitments

Capital commitment

Capital commitment contracted for at the end of the reporting period but not yet incurred are as flows:

	Group	
	30 September 2020 (Unaudited) HK\$'000	31 March 2020 (Audited) HK\$'000
Capital contribution to BEFS ⁽¹⁾	–	174,480
Capital contribution to 東英騰華 ⁽²⁾	102,308	98,145
Capital contribution to OP Fine Billion L.P. ⁽³⁾	5,000	5,000
Capital contribution to 昆侖投資基金 ⁽⁴⁾	2,400	2,400
Capital contribution to 東創智能 ⁽⁵⁾	3,410	3,272

- ⁽¹⁾ The capital contribution commitment of RMB160 million to BEFS is cancelled as a share transfer agreement was signed during the Period, which the Group will dispose of its entire interest in BEFS to BECI. Please refer to note 14(b) for details.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

25 Commitments (Continued)

Capital commitment (Continued)

- (2) According to “Investment agreement” of 東英騰華, The Group has committed to a capital contribution of RMB90 million (equivalent to HK\$102,308,000) to 東英騰華. The capital will be drawn down on an as needed basis.
- (3) According to the “Exempted Limited Partnership Agreement” signed between OPFI GP(2) Limited, as the general partner, and the limited partner on 24 November 2015, the Group has committed to a capital contribution of HK\$5 million. The capital will be drawn down on an as-needed basis.
- (4) According to “Shareholders’ Agreement” and “Supplementary to Shareholders’ Agreement” signed by the Company and Great Wonderful Limited, a wholly-owned subsidiary of the Group, the Group has committed to a capital contribution of HK\$3,000,000 to 昆侖投資基金. As at 30 September 2020, HK\$600,000 was called (31 March 2020: HK\$600,000). The capital will be drawn down on as-needed basis.
- (5) According to “shareholders’ resolution” of 東創智能, The Company has committed to a capital contribution of RMB3,000,000 (equivalent to approximately HK\$3,410,000) to 東創智能. The capital will be drawn down on as-needed basis.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

26 Related party transactions

In addition to those related party transactions and balances disclosed elsewhere in the condensed consolidated interim financial information, the Group had the following transactions and balances with its related parties:

(a) Transactions and balances with related parties

1. During the Period, investment management fee of HK\$6,900,000 (2019: HK\$6,900,000) were charged by Oriental Patron Asia Limited (“OPAL”), which is the investment manager of the Company and is a wholly owned subsidiary of Oriental Patron Financial Services Group Limited (“OPFSGL”). OPAL is a related company; as the directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo have significant influence in OPFSGL.

Pursuant to an investment management agreement (“New Investment Management Agreement”) dated 18 July 2018 entered into between the Company and OPAL, OPAL agreed to provide the Company with investment and management services for a term from the first calendar day of the month immediately following the month upon the New Investment Management Agreement becoming effective until 31 March 2021. Pursuant to its terms, the investment management fee is HK\$1,150,000 per month.

2. During the period end 30 September 2019, the Group paid rental expense of approximately HK\$4,605,000 to Oriental Patron Management Service Limited (“OPMSL”) for office premises (2020: Nil). OPMSL is a wholly owned subsidiary of OPFSGL and it is considered as a related company of the Group as its directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo have significant influence in OPFSGL.

This office rental arrangement has expired on 31 March 2020. The Group did not paid rents to OPMSL since then.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

26 Related party transactions (Continued)

(a) Transactions and balances with related parties (Continued)

3. During the Period, the Group paid Oriental Patron Securities Limited (“OPSL”) securities brokerage fee of HK\$225,000 (2019: HK\$15,000). OPSL is a related company as one of the directors, Mr. ZHANG Gaobo has significant influence in OPSL.
4. On 20 June 2016, the Company subscribed a HK\$9,500,000 promissory note issued by FCSSCL (“FCSSCL promissory note”). FCSSCL is considered a related company of the Group as it is owned 50% by one of the directors, Mr. ZHANG Zhi Ping.

The promissory note carries interest at the rate of 5% per annum. The Group recognized HK\$119,000 interest income in the profit or loss for the period end 30 September 2019 (2020: Nil).

On 29 July 2019, the Company entered into a service agreement with FCSSCL to which FCSSCL provided a series of services to the Company for a term of three years commencing from 30 July 2019 at an initial expansion cost and annual service fee of HK\$2,700,000 and HK\$2,425,000 respectively. The service fee payable will be set off against the principal and interest payables of FCSSCL promissory note.

As at 30 September 2020, HK\$6,135,000 (31 March 2020: HK\$6,583,000) was included in prepayments and other receivables and the Group recognized HK\$448,000 (2019: HK\$3,104,000) service fee expenses in the profit or loss during the Period.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

26 Related party transactions (Continued)

(a) Transactions and balances with related parties (Continued)

5. Pursuant to an agency agreement signed between the Company and Oriental Patron Capital Partners Limited (“OPCPL”), OPCPL agreed to reimburse the actual operating expenses incurred by the Company, for a term of one year from 1 October 2019.

OPCPL is a related company as the directors, Mr. ZHANG Zhi Ping and Mr. ZHANG Gaobo have significant influence in OPCPL.

As at 30 September 2020, HK\$770,000 (31 March 2020: HK\$1,106,000) was included in expense recoverable and the Group recognized HK\$770,000 (2019: Nil) expenses reimbursement in the profit or loss during the Period.

6. As at 30 September 2020, the Company has amount payable HK\$391,000 (31 March 2020: HK\$391,000) to Rich Fortune Allied Limited (“RFAL”) as RFAL has paid part of the office rent, building management fee and government rates on behalf of the Company.

RFAL is a related company as the director, Mr. Liu Zhiwei is a common director and ultimate beneficial shareholder of RFAL.



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

26 Related party transactions (Continued)

(b) Compensation of key management personnel

	Six months ended 30 September	
	2020 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000
Salaries and other short-term employee benefits	2,110	7,477
Contributions to retirement benefits scheme	–	9
Equity-settled share-based payment	572	1,411
	2,682	8,897

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

27 Particulars of major investments held by the Group

Particulars of investments held by the Group as at 30 September 2020 disclosed as follows:

Name of equity securities	Nature of business	Proportion of investee's capital owned (%)	Cost	Carrying amount	Net asset attributable to the Group	Dividend received	Percentage of the Group's total assets
			HK\$'000	HK\$'000	HK\$'000		
<i>Investments accounted for using equity method</i>							
TUVL – ordinary shares	Asset management	25%	351,671	412,587	412,587	–	*8.27%
CSOP – ordinary shares	Asset management	22.5%	60,000	107,282	107,282	–	*2.15%
<i>Financial assets at fair value through profit or loss</i>							
OPIMH – non-voting preference shares	Asset management	100%	58,000	56,560	56,560	–	1.13%
Xiaoju Kuaizhi Inc. – preference shares	Mobile transportation platform	<1%	116,445	112,519	112,519	–	*2.26%
Victorian Investment Limited Partnership – contribution	Pharmaceutical and healthcare	46.15%	234,795	129,872	129,872	–	*2.60%
iCarbonX Group Limited – ordinary shares	Medical and healthcare	7.7%	1,098,790	1,145,536	1,145,536	–	*22.97%
華建實業投資有限公司	Investment holding	12.5%	370,000	376,779	376,779	–	*7.56%
Jiedaibao Limited	Internet-based financial services	1.97%	700,000	700,000	700,000	–	*14.04%



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

27 Particulars of major investments held by the Group (Continued)

Reference code	Principal activity of borrower	Borrower's purpose of loan	Tenure	Cost HK\$'000	Carrying amount HK\$'000	Net asset	Total	Interest detail	Percentage
						attributable to the Group HK\$'000	interest for the Period HK\$'000		of the Group's total assets (%)
<i>Debt investments</i>									
Debenture D	Private equity investments	Private equity investments	3 years	247,150	235,224	235,224	10,600	8% per annum, pay quarterly	*4.72%
Debenture H	Listed equity, listed and unlisted debt investments	Unlisted debt investments	18-24 months	403,000	167,811	167,811	6,578	7%-8% per annum, pay at maturity	*3.37%
Debenture I	Gold mining, exploration and trading of gold products, provision of money lending services and trading of coal	Working capital	3 years	100,000	74,988	74,988	2,396	6% per annum, pay at maturity	*1.50%

Represents ten largest investments as at 30 September 2020



Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 September 2020

28 Contingent liabilities

As at 31 March 2020, the Group had given guarantee in respect of the settlement of RMB20 million (equivalent to HK\$21,810,000) of loan provided by 博石資產管理股份有限公司 to 上海幸福九號網絡科技有限公司.

Due to the financial difficulties of 上海幸福九號網絡科技有限公司, the Group had been demanded by 博石資產管理股份有限公司 on 20 April 2020 to settle the loan on behalf of 上海幸福九號網絡科技有限公司. It was fully settled on 22 May 2020 (note 21(a)).

29 Approval of condensed consolidated interim financial information

The condensed consolidated interim financial information was approved and authorized for issue by the Board on 27 November 2020.