OP FINANCIAL INVESTMENTS LIMITED

東英金融投資有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1140)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2012

RESULTS

The board of directors (the "Board" or the "Directors") of OP Financial Investments Limited (the "Company" or "OP Financial") and its subsidiaries (the "Group") is pleased to present to the shareholders the audited consolidated results of the Group for the financial year ended 31 March 2012 (the "Year") together with comparative figures for the last financial year as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 HK$'000	2011 HK$'000
Revenue	3	**47,679**	47,934
Other income		**2,963**	771
Net loss on financial assets at fair value through profit or loss			
– Classified as held for trading		**(75,782)**	(146,743)
– Designated as such upon initial recognition		**51,482**	10,283
		(24,300)	(136,460)
Gain on disposal of a subsidiary		**786**	1,861
Loss on disposal of an associate		**(1)**	–
Impairment loss on available-for-sale financial assets		**(25,200)**	(80,141)
Equity-settled share-based payments		**(1,342)**	(17,060)
Administrative expenses		**(47,909)**	(53,448)
Loss from operations		**(47,324)**	(236,543)
Share of results of associates		**4,276**	3,216
Loss before tax		**(43,048)**	(233,327)
Income tax	5	**418**	–
Loss for the Year	6	**(42,630)**	(233,327)

* *For identification purposes only*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(CONTINUED)*
FOR THE YEAR ENDED 31 MARCH 2012

	Note	**2012** **HK$'000**	2011 *HK$'000*
Other comprehensive income			
Exchange differences		**37**	26
Available-for-sale financial assets:			
Fair value changes during the Year		**(34,000)**	(38,918)
Impairment loss on available-for-sale financial assets		**25,200**	80,141
Share of other comprehensive income of associates			
Fair value changes of available-for-sale financial assets		**140**	–
Exchange differences		**(154)**	132
Net other comprehensive income for the Year		**(8,777)**	41,381
Total comprehensive income for the Year		**(51,407)**	(191,946)
Loss per share			
Basic	*7(a)*	**(4.53) cents**	(25.85) cents
Diluted	*7(b)*	**(4.53) cents**	(25.85) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2012

	Note	**2012** **HK$'000**	2011 HK$'000
Non-current assets			
Property, plant and equipment		**41**	661
Investments in associates		**90,216**	85,991
Available-for-sale financial assets		**629,260**	662,653
Financial assets at fair value through profit or loss		**13,373**	38,491
Loans receivable	8	**–**	5,000
Interest receivables		**24,100**	14,817
		756,990	807,613
Current assets			
Financial assets at fair value through profit or loss		**383,453**	333,890
Accounts and loans receivable	8	**80,164**	72,197
Interest receivables		**965**	933
Prepayments and other receivables		**237**	457
Tax recoverable		**4,762**	4,762
Bank deposits		**30,051**	11,584
Bank and cash balances		**284,273**	365,328
		783,905	789,151
TOTAL ASSETS		**1,540,895**	1,596,764
Capital and reserves			
Share capital		**94,140**	94,140
Reserves		**1,444,083**	1,494,148
TOTAL EQUITY		**1,538,223**	1,588,288
Current liabilities			
Other payables		**2,672**	4,303
Tax payable		**–**	4,173
TOTAL LIABILITIES		**2,672**	8,476
TOTAL EQUITY AND LIABILITIES		**1,540,895**	1,596,764
NET ASSETS		**1,538,223**	1,588,288
Net asset value per share	9	**HK$1.63**	HK$1.69

NOTES

1 BASIS OF PREPARATION

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

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

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

(a) New and amended standards adopted by the Group

In the current year, the Company and its subsidiaries (the "Group") has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants that are currently in issue and effective for its accounting year beginning on 1 April 2011. HKFRSs comprise all applicable individual Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The following new and revised HKFRSs are relevant to the Group's operations. The adoption of these new and revised HKFRSs had no material impact on the Group's results and financial position for the current or prior years, and did not result in any significant changes in the accounting policies of the Group.

(i) Related party disclosures

HKAS 24 (Revised), "Related Party Disclosures" is effective for annual period beginning on or after January 2011. It introduces an exemption from all of the disclosure requirements of HKAS 24 for transactions among government related entities and the government. Those disclosures are replaced with a requirement to disclose:

– The name of the government and the nature of their relationship

– The nature and amount of any individually significant transactions; and

– The extent of any collectively-significant transactions qualitatively or quantitatively.

It also clarifies and simplifies the definition of a related party. The amendments may not have any financial impact on the Group.

(b) New standards, amendments and interpretations have been issued but not yet effective for the financial year beginning 1 January 2011 and have not been early adopted

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements:

–	HKFRS 9	Financial Instruments
–	HKFRS 10	Consolidated financial statements
–	HKFRS 12	Disclosure of interests in other entities
–	HKFRS 13	Fair value measurement

(i) HKFRS 9, 'Financial Instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities. HKFRS 9 was issued in November 2009 and October 2010. It replaces the parts of HKAS 39 that relate to the classification and measurement of financial instruments. HKFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the HKAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the statement of comprehensive income, unless this creates an accounting mismatch. The Group is yet to assess HKFRS 9's full impact.

(ii) HKFRS 10 "Consolidated financial statements" builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group is yet to assess HKFRS 10's full impact.

(iii) HKFRS 12 "Disclosure of interests in other entities" includes the disclosures requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Group is yet to assess HKFRS 12's full impact.

(iv) HKFRS 13 "Fair value measurement" aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within HKFRSs. The Group is yet to assess HKFRS 13's full impact.

3. REVENUE

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

	2012	2011
	HK$'000	*HK$'000*
Dividend income from unlisted investments	**5,000**	–
Performance premium from co-investment partner	**26,616**	35,003
Interest income	**16,063**	12,931
	47,679	47,934

4. SEGMENT INFORMATION

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

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

Geographical information:

	2012	2011
	HK$'000	*HK$'000*
Revenue		
Hong Kong	**19,183**	12,275
Mainland China	**28,496**	35,659
	47,679	47,934

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

Non-current assets other than financial instruments

	2012	2011
	HK$'000	*HK$'000*
Hong Kong	**90,257**	86,065
Mainland China	**–**	587
	90,257	86,652

Information about major investments and co-investment partners:

During the Year, dividend income derived from an associate and interest income derived from one of the Group's investments which accounted for 10% or more of the Group's revenue amounted to approximately HK$5,000,000 and HK$9,577,000 respectively (2011: interest income derived from one of the Group's investments amounted to HK$9,551,000).

During the Year, performance premium derived from one (2011: one) of the Group's co-investment partners which accounted for 10% or more of the Group's revenue amounted to approximately HK$26,616,000 (2011: HK$35,003,000).

5. INCOME TAX

(a) Hong Kong Profits Tax has been provided at a rate of 16.5% (2011: 16.5%) on the estimated assessable profits for the Year.

	2012 *HK$'000*	2011 *HK$'000*
Provision for the Year	**–**	–
Write-back of tax over-provided in previous year	**(418)**	–
	(418)	–

(b) The reconciliation between the income tax and the product of loss before tax multiplied by Hong Kong Profits Tax rate is as follows:

	2012 *HK$'000*	2011 *HK$'000*
Loss before tax	**(43,048)**	(233,327)
Tax at Hong Kong Profits Tax rate of 16.5% (2011: 16.5%)	**(7,103)**	(38,499)
Tax effect of income that is not taxable	**(14,840)**	(5,482)
Tax effect of expenses that are not deductible	**21,806**	39,078
Tax effect of temporary differences not recognised	**4**	4
Tax effect of tax losses not recognised	**660**	5,009
Tax effect of utilisation of tax losses not previously recognised	**(527)**	–
Effect of different tax rate of a subsidiary	**–**	(110)
Write-back of tax over-provided in previous year	**(418)**	–
Income tax	**(418)**	–

6. LOSS FOR THE YEAR

(a) The Group's loss for the Year is stated after charging the following:

	2012 *HK$'000*	2011 *HK$'000*
Auditor's remuneration		
Audit	**800**	566
Others	**238**	218
	1,038	784
Depreciation	**169**	202
Investment management fee	**22,592**	23,808
Operating lease payments in respect of office premises	**2,493**	1,388
Equity-settled share-based payments, other than those including in staff costs	**–**	10,607
Staff costs (including directors' emoluments)		
Salaries and other benefits	**18,374**	14,197
Retirement benefits scheme contributions	**163**	191
Equity-settled share-based payments	**1,342**	6,453
	19,879	20,841

(b) The loss for the Year dealt with in the financial statements of the Company was approximately HK$22,157,000 (2011: loss of HK$37,081,000).

7. LOSS PER SHARE

(a) Basic loss per share

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

	2012	2011
	HK$'000	*HK$'000*
Loss for the Year	**42,630**	233,327
Weighted average number of ordinary shares in issue (in thousand)	**941,400**	902,712
Basic loss per share	**4.53 cents**	25.85 cents

(b) Diluted loss per share

Diluted loss per share for both years were the same as the basic loss per share as the Company's outstanding share options had anti-dilutive effect as assumed issue of ordinary shares would reduce loss per share.

8. ACCOUNTS AND LOANS RECEIVABLE

Group

		2012	2011
	Note	***HK$'000***	*HK$'000*
Accounts receivable	*(a)*	**18,569**	11,060
Amounts due from associates	*(b)*	**37**	37
Loan to an investee, repayable within one year	*(c)*	**56,558**	61,100
Loan to an associate, repayable within one year	*(d)*	**1,500**	–
Loan to an associate, not repayable within one year		**–**	1,500
Other loan, repayable within one year	*(e)*	**3,500**	–
Other loan, not repayable within one year		**–**	3,500
		80,164	77,197

Company

		2012	2011
	Note	***HK$'000***	*HK$'000*
Amounts due from associates	*(b)*	**37**	37
Loan to an associate, repayable within one year	*(d)*	**1,500**	–
Loan to an associate, not repayable within one year		**–**	1,500
Other loan, repayable within one year	*(e)*	**3,500**	–
Other loan, not repayable within one year		**–**	3,500
		5,037	5,037

(a) At 31 March 2012, the Group's accounts receivable represented performance premium receivable from a co-investment partner. The Group does not hold any collateral or other credit enhancements over the accounts receivable.

The aging analysis of accounts receivable based on the invoice date is as follows:

	2012	2011
	HK$'000	*HK$'000*
Unbilled	**3,872**	–
Within 3 months	**3,700**	3,633
3–6 months	**3,700**	3,713
6–12 months	**7,297**	3,714
	18,569	11,060

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

At 31 March 2012, the accounts receivable was neither past due nor impaired.

(b) Amounts due from associates arise mainly from administrative expenses paid by the Group on behalf of the associates. The amounts are unsecured, interest-free and have no fixed repayment terms. No provision has been made on the balances.

(c) Loan to an investee is unsecured, bearing interest at 4% per annum. It has been matured on 31 December 2011. The repayment of the loan will be financed by the proceeds of the subsequent GZ Meichen Placement and the Group expects it to be within 2012. No material recoverability problem of the loan receivable is expected.

(d) Loan to an associate is unsecured, interest-free and repayable within one year.

(e) Other loan represents loan to the major shareholder of one of the Group's associates. It is unsecured, interest-free and repayable within one year.

9. NET ASSET VALUE PER SHARE

The net asset value per share is calculated by dividing the net asset value of the Group at 31 March 2012 of approximately HK$1,538,223,000 (2011: HK$1,588,288,000) by the number of ordinary shares in issue at that date, being 941,400,000 (2011: 941,400,000).

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

BASIS FOR QUALIFIED OPINION

As explained in note 17 and 18 to the consolidated financial statements, as at 31 March 2011, the Company had investment in Crown Honor Holdings Ltd. ("Crown Honor"), an investee, comprising ordinary shares, non-voting preference shares and the profit guarantee of Crown Honor which were stated at fair value of HK$230,545, HK$95,529,850 and HK$6,860,388, respectively. We were unable to obtain sufficient appropriate audit evidence or to carry out alternative audit procedures that we considered necessary to assess the fair value of the investment in Crown Honor as at 31 March 2011 and 1 April 2011 and the related impact on the Group's result attributable to the equity holders for the year ended 31 March 2012 and 31 March 2011. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. Any adjustments found to be necessary to the opening balances as at 1 April 2011 may materially affect the Group's result attributable to the equity holders for the year ended 31 March 2012 and the related disclosures in the consolidated financial statements with respect to investment in Crown Honor.

QUALIFIED OPINION

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the consolidated financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 March 2012 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

EXTRACT OF NOTE 17, 18 TO THE CONSOLIDATED FINANCIAL STATEMENTS

The audit of the consolidated financial statements of CHHL for the year ended 31 December 2010 is not yet finalised as of the date of the annual report for the year ended 31 March 2011. After taking into account the relevant financial information of CHHL, the directors consider the valuation result as recognised in the interim report as of 30 September 2010 that was based on an independent valuation report still represents the best estimated fair value of the CHHL-related financial assets as at 31 March 2011.

FINAL DIVIDEND

The Board has resolved not to pay a final dividend for the Year (2011: Nil).

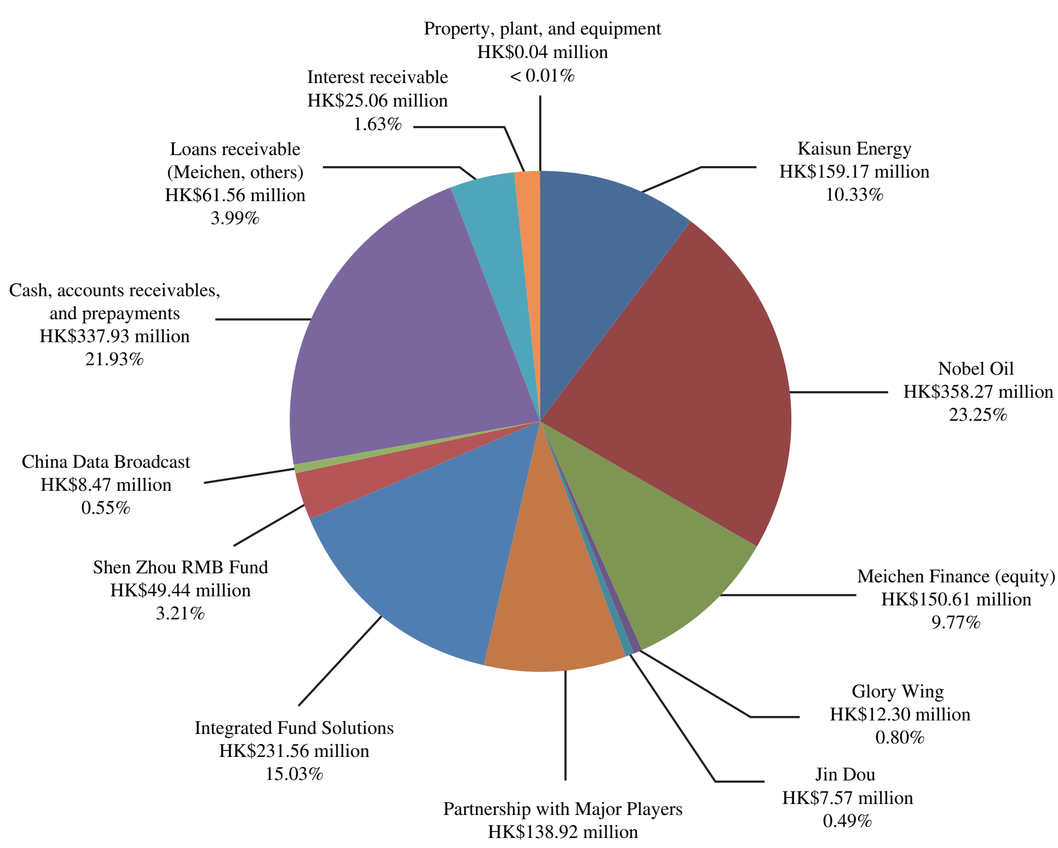
MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

OP Financial Investments Limited ("OP Financial" or "the Group") is a Hong Kong listed Investment Company with the mandate allowing us to invest in various assets, financial instruments, and businesses globally. We produce medium to long term shareholder returns by developing customized investment solutions for and alongside institutional and corporate investors in the region. Our co-investors are mainly large financial institutions and organizations targeting either high growth opportunities within China or strategic investments outside the region. We also invest in funds of listed and unlisted equities to generate diversified returns. Over time, these funds will serve as the foundation of a marketable proprietary financial services platform for attracting new investment partners.

Our two main investment focuses include Direct Investment Solutions and the development of our Financial Services Platform. Direct Investment Solutions, includes direct proprietary and syndicated investments. These investments focus on strategic resources and related businesses globally, but they may also include high growth medium-size businesses in China. The Financial Services Platform includes: (i) "Partnerships with major players"; these are joint ventures with financial institutions, and (ii) "Integrated Fund Solutions"; which focuses on developing asset managers, and fund incubation strategies.

Investment holdings by source
Total assets HK$1.541 billion (as at 31 March 2012)



DIRECT INVESTMENT SOLUTIONS

Kaisun Energy Group Limited ("Kaisun Energy") is an integrated coking coal producer which operates and controls a coal and anthracite mine with total reserves of 17.5 million tonnes and 158 million tonnes respectively. The mines are based in Tajikistan. As at 31 March 2012, Kaisun Energy's share price closed at HK$0.225 per share down from HK$0.41 per share as at 31 March 2011. We currently hold 132.1 million ordinary shares of the company with a carrying amount of HK$29.72 million. Our main exposure is the convertible bond, which (including accrued interest income) is worth HK$153.55 million down from HK$169.34 million from 2011.

On 22 December 2011, Kaisun Energy met all conditions required for the completion of the sale of its 70% equity interest in Inner Mongolia Mineral Ltd., which operates the Mengxi Mine to Otog Banner Xin Ya Coking Coal Co. Ltd., for a cash consideration of HK$976 million.

Kaisun Energy has earmarked sufficient proceeds to meeting repayment obligations for our convertible bond. Given that Kaisun Energy's shares are trading below the HK$0.70 per share conversion price of our convertible bond, we do not intend to exercise the conversion option.

We also have a HK$29.72 million equity position in Kaisun Energy. Including cash dividends, shares redeemed and performance premium received since September 2009 totalling over HK$126.33 million plus our current investment exposure of HK$183.27 million equals to a HK$309.60 million in value. Against our initial cash consideration of HK$145.96 million, this represents a return of over 112% over its four year tenure.

Nobel Oil

The Group holds a co-investment vehicle with China Investment Corporation ("CIC"), called Thrive World Ltd. It cumulatively represents a 50% equity interest in Nobel Holdings Investments Ltd ("Nobel Oil") initiated September 2009. As one of the largest independent upstream producers in Russia, Nobel Oil's principal assets are its nine subsoil licenses covering seven oil fields, in varying stages of development and production, and two exploration areas. According to the latest reserve report, it holds aggregated reserves of 118.6 million barrels (MMbbls) of proved, 237.4 MMbbls of proved and probable and 466.2 MMbbls of proved, probable and possible reserves.

The value of our effective holding of 5% in Nobel Oil increased from HK$332 million to HK$358.27 million. Unaudited results of Nobel Oil for the year ended 31 December 2011 show improvements in turnover from US$158 million to US$232 million; and improvements in profitability from a loss of US$1.7 million to a profit of US$30.1 million.

Considering the volatility of the current market, Nobel has postponed listing plans this year.

Meichen Finance

In 2009, we invested HK$45.45 million in Meichen Finance Group ("Meichen"), a rapidly growing insurance agency and brokerage in China. In 2010, OP Financial facilitated a shareholder's loan of RMB52 million, which was used to finance Meichen's acquisitions. Held via investment vehicle, Crown Honor Holdings Ltd, our net position has since grown to HK$207.17 million as at 31 March 2012 (31 March 2011: HK$163.72 million), which includes both our equity interest and shareholder's loan. Adding back the principal and interest received of HK$9.97 million against our initial investment cost (equity and debt) of HK$106 million, our investment in Meichen registers a net gain of 104.8% since inception.

For its year ended 31 December 2011, Meichen continued to grow at a rapid pace and sold 1.35 million policies for the year and generated RMB440.57 million in revenues, growing 87% compared to last year. Meichen recorded a net profit of RMB60.67 million, a 66.2% gain compared to last year.

Meichen now distributes insurance products from 61 insurance companies compared to 21 companies in 2010. These companies include Ping An, China Life, and China Pacific. Originally servicing automotive insurance sector primarily in Guangdong, Meichan has expanded its catalogue to over 10 major cities in China. Meichen is in a unique position to capitalise on growing consumer demand and a relatively fragmented market. It has successfully diversified its offerings from auto insurance into property, life, and accidental insurance. In 2011, property insurance sales exceeded those of auto insurance accounting for 47% and 40% of total policies sold respectively.

Meichen is currently raising capital of RMB200 million to finance its future expansion and repayment of our outstanding RMB45 million shareholder loan as at 31 March 2012. The new investors have agreed to a subscription price based on 2012 forward earnings of RMB90 million, and post-money valuation of RMB920 million, including a target to list the company on China's domestic exchange within three years.

Glory Wing

Glory Wing International Ltd ("Glory Wing") is an investment vehicle whose core position is an iron ore mining operation called Taolegai Mine, located in Inner Mongolia. Glory Wing has invested a total of HK$70 million in the project in the form of convertible bonds, of which OP Financial's allocation is HK$10 million.

Based on John T. Boyd Company's (JTB) current reports, the Taolegai Mine holds measured and indicated resources of 3.19 million tonnes at an average grade of 50.4% Fe. Measured, indicated and inferred resources total 5.64 million tonnes.

Jin Dou

In September 2010, we formed a co-investment vehicle with CIC, named Jin Dou Development Fund L.P. ("Jin Dou"), whose purpose is to explore agricultural investment opportunities in Kazakhstan and other Commonwealth of Independent States. Management is working alongside local partners to develop the country as a new food source to meet the growing demand from Central and East Asia. CIC and OP Financial contributed US$15 million and US$1.5 million respectively to the project, whose proceeds funded feasibility trials to assess crop yield diversification.

With its successful trials in 2011, Jin Dou is commencing project plans for commercial food production. The crop diversification plan expanded from soy beans to additional staple vegetation depending on the land characteristics and meteorological conditions. CIC and OP Financial additionally committed US$285 million and US$13.5 million respectively. The project targets commercial production on over 100,000 hectares of arable land over three years. This requires investments in agri-technology, infrastructure, and logistics.

FINANCIAL SERVICES PLATFORM

Partnerships with Major Players

We have investments in four asset management companies with total assets under management and advisory of approximately HK$7.4 billion compared to HK$6.2 billion last year. Aggregate results of the four companies attributable to the Group were approximately HK$4.28 million for the year.

Our partnering fund managers faced a market that had struggled to recover from 2010 despite a strong performance in the first three months of 2012. The bearish environment was prevalent as the market was threatened by the possible default of Greece.

In addition to the Shen Zhou RMB Fund, which grew to AUM of HK$759 million by 31 March 2012, CSOP also launched 3 additional Cayman offshore USD funds totalling more than HK$531 million.

Integrated Fund Solutions

Part of the Group's strategy is to build a proprietary asset management platform and incubate or acquire funds with a strong track record and sound management. We provide seed capital infrastructure, technology, and administrative support to fund managers, allowing them to focus on building performance. The Group maintains investments in three funds managed by the OP Investment Management Ltd and OP Investment Management (Cayman) Limited (Collectively "OPIM"). These funds fell by approximately HK$49.40 million from HK$280.96 million as at 31 March 2011 to HK$231.56 million as at 31 March 2012, a decline of 17.58%.

OP Financial also holds non-controlling preference shares in OPIM. Our position fell to HK$48.70 million from HK$75.60 million during the year.

In Q1 of 2012, two new funds with total net assets of US$48 million were managed by OPIM: Maori Capital, a US$30 million fund from Singapore and Bonzai capital (a US$18 million fund, which is up 6% YTD). OPIM plans to expand its platform business, improve its infrastructure, and establish vertically integrated acceleration capabilities.

FINANCIAL REVIEW

Financial position

Net asset value: The Group's net assets as at 31 March 2012 decreased 3.15% from HK$1.59 billion to HK$1.54 billion during the year. Meanwhile, the NAV per share decreased from HK$1.69 to HK$1.63 during the year mainly due to revaluations of investments.

Gearing: The gearing ratio, which is calculated on the basis of total liabilities over total equity as at 31 March 2012, was 0.002 (31 March 2011: 0.005). We are currently maintaining a low leverage policy for our investments. While some debt financing instruments may be used at the investment level, we still expect to maintain debt to a minimum at the Group level in the coming year.

Investments in associates: Representing mainly our share of the net assets of joint venture asset management companies, CSOP Asset Management Limited, and Guotai Junan Fund Management Limited. Assets increased by 4.92% to HK$90.22 million as at 31 March 2012 (31 March 2011: HK$85.99 million) reflecting stable operating performance of our investees for the year.

Available-for-sale financial assets: A 5.04% decrease from HK$662.65 million to HK$629.26 million during the year was mainly the net result of increase in value of our investment in Nobel Oil, and the decline in value of our investments in Kaisun Energy and OPIM. The value of Nobel Oil, an unlisted investment benefited from recovered oil prices.

Financial assets at fair value through profit or loss: The HK$24.45 million increase from HK$372.38 million to HK$396.83 million during the year ended 31 March 2012 was primarily due to (1) the HK$19.94 million decline in value for the derivative component of our Kaisun Energy convertible bond by 95.96% from HK$20.78 million to HK$0.84 million; (2) the HK$49.40 million decline in value of our investments in funds by 17.58% from HK$280.96 million to HK$231.56 million; and (3) the HK$5.18 million decline in value of our Glory Wing convertible bond from HK$17.48 million to HK$12.30 million. (4) An increase of HK$49.80 million accounts for the fair value change of an embedded-derivative linked to our equity in Meichen. It previously served as a hedge for our position and has since been renegotiated with management in light of the company's positive progress. (5) A HK$49.32 million accounts for a new investment in CSOP's Shen Zhou RMB Fund made during the year.

Loan receivables: Our shareholder's loan to Meichen of HK$56.56 million accounted for most of the HK$61.56 million loans receivable. The shareholder's loan has been matured on 31 December 2011. The repayment of the loan will be financed by the proceeds of Meichen's new shares which expected to be completed in the coming year.

Interest receivable: Comprising accrued interest of our convertible bond investments in Glory Wing, Kaisun Energy, and loan to Meichen. The amount has increased 59.11% from HK$15.75 million as at 31 March 2011 to HK$25.06 million as at 31 March 2012.

Bank and cash balances: As at 31 March 2012, the Group had bank deposits and cash balances of HK$314.32 million (31 March 2011: HK$376.91 million).

RESULTS

The Group has made significant developments in our direct investment projects. However, challenging market conditions created a difficult environment for our main investments in Kaisun Energy and investment funds, directly affecting our performance for this year. The Group incurred a net loss of HK$42.63 million (2011: net loss of HK$233.33 million), which includes an impairment of HK$25.2 million in Kaisun Energy's ordinary shares as well as a fair value loss of HK$19.94 million on conversion portion of Kaisun Energy's convertible bond. Consequently, net assets fell to approximately HK$1.54 billion, or a net decrease of 3.15%. The Group incurred a basic loss per share of HK$4.53 cents for the year ended 31 March 2012 compared to a loss per share of HK$25.85 cents for the year ended 31 March 2011.

Consolidated Statement of Comprehensive Income

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

	2012	2011
	HK$'000	*HK$'000*
Dividend income from unlisted investments[1]	**5,000**	–
Performance premium from co-investment partner[2]	**26,616**	35,003
Interest income[3]	**16,063**	12,931
	47,679	47,934

(1) OP Investment Management (Cayman) Limited issued a dividend of HK$5 million during the year.

(2) CIC, co-investment partner, in both the agriculture partnership and Nobel Oil projects awarded performance premiums totalling HK$26.62 million to the Group in return for our resources devoted to the investment projects. Jin Dou accounted for approximately HK$15.56 million, while Nobel Oil accounted for the remaining HK$11.06 million.

(3) Interest income of approximately HK$16.06 million (2011: HK$12.93 million) is derived from convertible bond investments via Glory Wing and Kaisun Energy, our loan to Meichen, and term deposits in banks.

Net loss on financial assets at fair value through profit or loss: The net loss of HK$24.3 million mainly represents (i) the loss in fair value of the conversion option embedded in the convertible bonds of Kaisun Energy of approximately HK$19.94 million and (ii) the cumulative losses of HK$49.40 million in the Group's investment funds managed by OPIM (iii) a gain of HK$49.80 million accounts for the fair value adjustment of Crown Honor preference shares and its embedded derivative, and profit guarantee.

Impairment loss on available-for-sale financial assets: Due to the prolonged decrease in the fair value of the Group's investment in the ordinary shares of Kaisun Energy from its investment cost, an impairment loss of HK$25.2 million was recognised during the year.

Equity-settled share-based payments: This represents the value of share options vested during the year. These share options were granted to certain directors and employees on 20 April 2010, which are vested over 5 years from the grant date.

Administrative expenses: The decrease in total expenses to HK$47.91 million is mainly the result of reduction in professional fees and travelling expenses.

Share of results of associates: A net amount of approximately HK$4.28 million (2011: HK$3.22 million) accounted for our share of results of associates such as CSOP and Guotai Junan. These companies generate revenue based on management and performance fees according to assets under management.

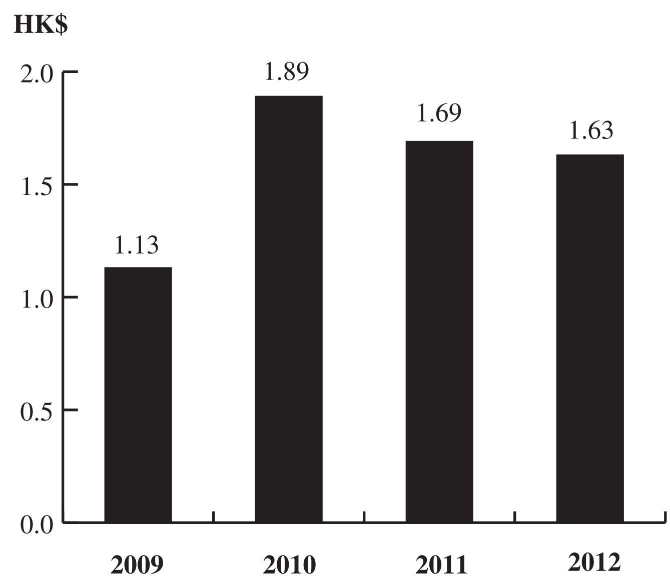
Income tax: The Group incurred a nominal write-back of HK$0.4 million for taxes over-provided in the previous year. The Group has otherwise incurred no income taxes as there were no assessable profits for the year.

Other comprehensive income: Changes to the Group's NAV, otherwise not accounted for in "loss for the year", are found in "other comprehensive income". The loss of HK$34.00 million is mainly net of (1) unrealized gains from equity interest in Nobel Oil by HK$26.05 million, and (2) unrealised loss from OPIM preference shares and Kaisun Energy ordinary shares and convertible bonds by HK$56.22 million. Combining with the "loss for the year", the total comprehensive income for the year was a loss of HK$51.41 million.

FAIR VALUE CHANGES FOR THE YEAR ENDED 31 MARCH

	2012	2011
	HK$'000	*HK$'000*
OPIM	**(26,900)**	41,800
Kaisun Energy – Ordinary Shares	**(23,879)**	(91,774)
Kaisun Energy – CB Borrowing Portion	**(5,436)**	3,493
Nobel Oil	**26,046**	8,403
Meichen Finance	**(1,816)**	1,233
Jin Dou	**(2,015)**	(2,073)
Fair value decrease	**(34,000)**	(38,918)

NET ASSET VALUE PER SHARE (IN HK$)



LIQUIDITY AND FINANCIAL RESOURCES

Dividend income from investments held, performance premiums, and interest income from bank deposits and financial instruments held are currently the Group's major source of revenue.

During the Year, the Group continued to maintain a significant balance of cash and cash equivalents. As at 31 March 2012, the Group had cash and bank balances of HK$284.27 million (31 March 2011: HK$365.33 million).

The Group had no bank borrowings and did not pledge any assets as collateral for overdrafts or other loan facilities during the period under review. The debt-to-equity ratio (interest bearing external borrowings divided by shareholders' equity) stood at zero while the current ratio (current assets divided by current liabilities) was 293 times (2011: 93 times). For further analysis of the Group's cash position, current assets and gearing, please refer to paragraphs under sub-sections headed "Financial position" above.

The Board believes that the Group has sufficient financial resources to satisfy its immediate investments and working capital requirements.

CAPITAL STRUCTURE

As at 31 March 2012, the Group's shareholders' equity and total number of shares in issue for the Company stood at HK$1.54 billion (2011: HK$1.59 billion) and 941.40 million (2011: 941.40 million), respectively.

EMPLOYEES

During the Year, the Group had 20 (2011: 18) employees, inclusive of the two executive directors. Total staff costs for the Year amounted to HK$19.88 million (2011: HK$20.84 million). The Group's remuneration policies are in line with the market practice and are determined on the basis of the performance and experience of individual employee.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

Except for the Group's investment in and loan to Meichen Finance and the investment in CSOP Shen Zhou RMB fund described in the sections above, the Group's assets and liabilities are mainly denominated in Hong Kong Dollars or United States Dollars and, therefore, the Group had no significant exposure to foreign exchange fluctuations.

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

As at 31 March 2012, there were no charges on the Group's assets and the Group did not have any significant contingent liabilities.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

EVENTS AFTER THE REPORTING PERIOD

As of 31 March 2012, the Company through a subsidiary, Sunshine Prosper Limited, holds 30% voting ordinary shares and 80% non-voting preference shares in Crown Honor Holdings Limited ("CHHL"). CHHL via certain special purpose companies (together "Investment Holding Entities") beneficially holds 100% beneficial interest in 廣州美臣投資管理諮詢有限公司 ("GZ Meichen") and its subsidiaries (together "Operating Entities") which is principally engaged in the insurance brokerage business in the PRC.

From March to May 2012, GZ Meichen entered into various subscription agreements to raise a total of RMB200 million (the "GZ Meichen Placement") to finance business expansion and repayment of indebtedness. In order to facilitate the GZ Meichen Placement, CHHL and GZ Meichen will undergo a shareholding re-organisation under which, Sunshine Prosper's effective economic interest in GZ Meichen via Investment Holding Entities will be transformed into 30% equity interest in Operating Entities pursuant to spirit of the Percentage Adjustment.

It is also expected that upon completion of GZ Meichen Placement, Sunshine Prosper's equity interest in Operating Entities will be diluted to 23.5%. As of the date of the approval of these consolidated financial statements, GZ Meichen Placement is still not yet completed.

CORPORATE GOVERNANCE

The Board recognises the importance of corporate governance to the Group's healthy growth and is dedicated to maintaining good standards of corporate governance so as to enhance corporate transparency and protect the interests of shareholders.

The Group has complied with the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules during the Year.

AUDIT COMMITTEE

The Company established an audit committee in accordance with rule 3.21 of the Listing Rules. Amongst other duties, the principal duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Company.

The Company's audit committee comprised three independent non-executive directors, namely, Mr. KWONG Che Keung, Gordon, Prof. HE Jia and Mr. WANG Xiaojun.

The audited financial statements for the Year have been reviewed by the audit committee.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. All directors have confirmed, following specific enquiry by the Company, that they have fully complied with the Model Code throughout the Year.

FORWARD-LOOKING STATEMENTS

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

PUBLICATION OF FINANCIAL INFORMATION

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

BOARD OF DIRECTORS

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

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

Hong Kong SAR, 20 June 2012