Oriental Unicorn Agricultural Group Limited
東麟農業集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8120)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Oriental Unicorn Agricultural Group Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

RESULTS

The board of directors (the "Board") of the Company announces the audited consolidated final results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2014 together with the comparative figures for the year ended 31 December 2013 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2014

	Notes	2014 HK$'000	2013 HK$'000 (Restated)
Revenue	4	**28,739**	24,765
Cost of sales and services		**(9,740)**	(26,368)
Gross profit/(loss)		**18,999**	(1,603)
Other income, gains and losses	4	**7,643**	87
Selling and distribution costs		**(2,388)**	(660)
General and administrative expenses		**(29,209)**	(19,732)
Change in fair value of biological assets less costs to sell		**5**	(974)
Change in fair value of financial asset through profit or loss		**(23,382)**	27,862
Impairment loss of goodwill		**–**	(891)
Impairment loss of property, plant and equipment		**(6,214)**	(26,867)
Reversal/(recognition) of impairment loss on investing loan		**16,795**	(16,795)
Finance costs	5	**(101)**	(310)
Loss before tax		**(17,852)**	(39,883)
Income tax expense	6	**(24)**	(170)
Loss for the year	7	**(17,876)**	(40,053)
Other comprehensive income/(expense)			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**57**	1,769
Change in fair value of available-for-sale investment		**(284)**	–
Other comprehensive (expense)/income for the year		**(227)**	1,769
Total comprehensive expense for the year		**(18,103)**	(38,284)
Loss attributable to:			
Owners of the Company		**(15,289)**	(40,053)
Non-controlling interests		**(2,587)**	–
		(17,876)	(40,053)
Total comprehensive expense attributable to:			
Owners of the Company		**(15,531)**	(38,284)
Non-controlling interests		**(2,572)**	–
		(18,103)	(38,284)
Loss per share			
Basic *(HK cents per share)*	8	**(1.27)**	(23.89)
Diluted *(HK cents per share)*	8	**(1.27)**	(23.89)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2014

	Notes	2014 HK$'000	2013 HK$'000 (Restated)
Non-current assets			
Property, plant and equipment		**46,181**	17,752
Prepaid lease payments		**1,024**	1,054
Loan and interest receivables	*12*	**26,250**	–
Goodwill		**5,615**	–
Biological assets	*9*	**176**	210
Available-for-sale investment		**6,723**	–
		85,969	19,016
Current assets			
Biological assets	*9*	**863**	878
Inventories		**7,621**	43
Trade receivables	*10*	**5,556**	6,140
Loan and interest receivables	*12*	**156,608**	4,658
Deposits, prepayments and other receivables	*11*	**22,192**	2,127
Amount due from a non-controlling interest		**3**	–
Financial assets at fair value through profit or loss	*13*	**524**	31,650
Cash and bank balances		**119,860**	37,773
		313,227	83,269
Current liabilities			
Trade and other payables	*15*	**32,464**	11,356
Amounts due to non-controlling interests		**15,367**	–
Bank borrowings	*14*	**5,905**	3,805
Current tax liabilities		**13**	13
		53,749	15,174
Net current assets		**259,478**	68,095
Total assets less current liabilities		**345,447**	87,111

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2014

	Notes	**2014**	2013
		HK$'000	*HK$'000*
			(Restated)
Non-current liabilities			
Deferred tax liabilities		**349**	–
		349	–
Net assets		**345,098**	87,111
Capital and reserves			
Share capital		**15,609**	27,752
Reserves		**274,949**	59,359
Equity attributable to owners of the Company		**290,558**	87,111
Non-controlling interests		**54,540**	–
Total equity		**345,098**	87,111

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	Attributable to owners of the Company												
	Share capital *HK$'000*	Share premium *HK$'000*	Contributed surplus *HK$'000*	Capital reserve *HK$'000*	Convertible notes equity reserve *HK$'000*	PRC statutory reserve *HK$'000*	Share options reserve *HK$'000*	Foreign currency translation reserve *HK$'000*	Available-for-sale investment revaluation reserve *HK$'000*	Accumulated losses *HK$'000*	Sub-total *HK$'000*	Attributable to non-controlling interests *HK$'000*	Total *HK$'000*
Balance at 1 January 2013	14,264	91,968	–	61,545	4,885	873	–	1,123	–	(127,760)	46,898	–	46,898
Loss for the year	–	–	–	–	–	–	–	–	–	(40,053)	(40,053)	–	(40,053)
Other comprehensive income for the year	–	–	–	–	–	–	–	1,769	–	–	1,769	–	1,769
Total comprehensive income/(expense) for the year	–	–	–	–	–	–	–	1,769	–	(40,053)	(38,284)	–	(38,284)
Issue of placing shares	11,120	58,115	–	–	–	–	–	–	–	–	69,235	–	69,235
Conversion of convertible notes	2,368	9,472	–	–	(3,087)	–	–	–	–	–	8,753	–	8,753
Deferred tax arising from conversion of convertible notes	–	–	–	–	509	–	–	–	–	–	509	–	509
Transfer upon exercise of all embedded options	–	2,307	–	–	(2,307)	–	–	–	–	–	–	–	–
Balance at 31 December 2013 and 1 January 2014	27,752	161,862	–	61,545	–	873	–	2,892	–	(167,813)	87,111	–	87,111
Loss for the year	–	–	–	–	–	–	–	–	–	(15,289)	(15,289)	(2,587)	(17,876)
Other comprehensive income/(expense) for the year	–	–	–	–	–	–	–	42	(284)	–	(242)	15	(227)
Total comprehensive income/(expense) for the year	–	–	–	–	–	–	–	42	(284)	(15,289)	(15,531)	(2,572)	(18,103)
Non-controlling interests arising on acquisition of subsidiaries	–	–	–	–	–	–	–	–	–	–	–	47,780	47,780
Additional non-controlling interests arising on partial disposal of subsidiaries	–	–	–	–	–	–	–	–	–	(3,332)	(3,332)	9,332	6,000
Recognition of equity-settled share-based payments	–	–	–	–	–	–	4,730	–	–	–	4,730	–	4,730
Lapse of share options	–	–	–	–	–	–	(58)	–	–	58	–	–	–
Issue of subscription shares	2,600	42,900	–	–	–	–	–	–	–	–	45,500	–	45,500
Right issue of shares	180,391	–	–	–	–	–	–	–	–	–	180,391	–	180,391
Capital Reorganisation	(195,134)	–	195,134	–	–	–	–	–	–	–	–	–	–
Transaction costs attributable to issue of shares	–	(8,311)	–	–	–	–	–	–	–	–	(8,311)	–	(8,311)
Cancellation of share premium	–	(153,551)	153,551	–	–	–	–	–	–	–	–	–	–
Balance at 31 December 2014	**15,609**	**42,900**	**348,685**	**61,545**	**–**	**873**	**4,672**	**2,934**	**(284)**	**(186,376)**	**290,558**	**54,540**	**345,098**

NOTES

1. GENERAL INFORMATION

Oriental Unicorn Agricultural Group Limited (the "Company") was incorporated as an exempted company with limited liability in the Cayman Islands on 22 September 2000 under the Companies Laws of the Cayman Islands.

During the year, the Company has been deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda and the change of domicile became effective on 8 May 2014 (Bermuda time).

The shares of the Company are listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is located at Unit A, 15/F, Nathan Tower, 518-520 Nathan Road, Yau Ma Tei, Kowloon, Hong Kong.

The principal activity of the Company is investment holding. During the year, the Company and its subsidiaries (collectively the "Group") was involved in the following principal activities:

– manufacturing, development and distribution of feedstock products, animal husbandry and related activities in the People's Republic of China ("PRC");

– provision of loan financing in Hong Kong;

– investment in listed and unlisted securities;

– provision of professional IT contract and maintenance services in the PRC; and

– processing and sales of food products.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The Group has applied for the first time in current year the following amendments to HKFRSs and a new Interpretation issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"):

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

The application of the amendments to HKFRSs and a new Interpretation in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or disclosures set out in these consolidated finance information.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and revised HKFRSs in issue but not yet effective

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

HKFRS 9	*Financial Instruments*[1]
HKFRS 14	*Regulatory Deferral Accounts*[2]
HKFRS 15	*Revenue from Contracts with Customer*[3]
Amendments to HKFRS 11	*Accounting for Acquisitions of Interest in Joint Operations*[5]
Amendments to HKAS 1	*Disclosure Initiative*[5]
Amendments to HKAS 16 and HKAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation*[5]
Amendments to HKAS 16 and HKAS 41	*Agriculture: Bearer Plant*[5]
Amendments to HKAS 19	*Defined Benefits Plans: Employee Contributions*[4]
Amendments to HKAS 27	*Equity Method in Separate Financial Statements*[5]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[5]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	*Investment Entities: Applying the Consolidation Exception*[5]
Amendments to HKFRSs	*Annual Improvements to HKFRSs 2010 – 2012 Cycle*[6]
Amendments to HKFRSs	*Annual Improvements to HKFRSs 2011 – 2013 Cycle*[4]
Amendments to HKFRSs	*Annual Improvements to HKFRSs 2012 – 2014 Cycle*[5]

1 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

2 Effective for first annual HKFRS financial statements beginning on or after 1 January 2016, with earlier application permitted.

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

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

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

6 Effective for annual periods beginning on or after 1 July 2014, with limited exceptions. Earlier application is permitted.

3. SEGMENT INFORMATION

Information reported to the board of directors of the Company, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

In previous years, (i) the feedstock products segment comprises the feedstock business; and (ii) the animal husbandry segment comprises animal husbandry business were reported to the CODM as stand-alone business units and constituted separate operating segments. Following a change in the Group's operating and reporting structure, starting from year 2014, such business activities are combined into a single operating segment before being reported to the CODM and accordingly, the CODM now reviews the Group's internal reporting, assesses the performance and allocates the resources of the Group to the agricultural segment comprises the feedstock business and the animal husbandry business in the PRC as a whole. Certain comparative figures has been reclassified to conform with current year's presentation.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

- Agricultural segment comprises the feedstock business and the animal husbandry business in the PRC;
- Money lending segment comprises provision of loan financing in Hong Kong;
- Securities investment segment comprises investment in listed and unlisted securities;
- IT business segment comprises provision of professional IT contract and maintenance services in the PRC; and
- Processing and sales of food products.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

	Agricultural		Money lending		Securities investment		IT business		Processing and sales of food products		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
												(Restated)
Segment revenue:												
Revenue from external customers	**7,528**	24,607	**10,160**	158	**375**	–	**10,676**	–	**–**	–	**28,739**	24,765
Segment (loss)/profit	**(2,442)**	(40,266)	**9,090**	158	**(23,044)**	27,862	**214**	–	**–**	–	**(16,182)**	(12,246)
Bank interest and other income											**960**	137
Reversal/(recognition) of impairment loss of investing loan											**16,795**	(16,795)
Finance costs											**(101)**	(310)
Central administration costs											**(19,324)**	(10,669)
Loss before tax											**(17,852)**	(39,883)

3. **SEGMENT INFORMATION (Continued)**

Segment revenue and results (Continued)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2013: Nil).

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment (loss)/profit represents the (loss incurred)/profit earned by each segment without allocation of bank interest and other income, reversal/(recognition) of impairment loss on investing loan, finance costs and central administration costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

	Agricultural		Money lending		Securities investment		IT business		Processing and sales of food products		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000* (Restated)
Segment assets	**18,552**	24,185	**202,921**	4,658	**7,355**	32,650	**9,991**	–	**103,247**	–	**342,066**	61,493
Corporate and unallocated assets											**57,130**	40,792
Consolidated assets											**399,196**	102,285
Segment liabilities	**5,650**	4,057	**–**	–	**–**	–	**6,756**	–	**39,646**	–	**52,052**	4,057
Corporate and unallocated liabilities											**2,046**	11,117
Consolidated liabilities											**54,098**	15,174

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than unallocated head office and corporate assets. Goodwill is allocated to operating segments; and

- all liabilities are allocated to operating segments other than other unallocated head office and corporate liabilities.

3. SEGMENT INFORMATION (Continued)

Other segment information

	Agricultural		Money lending		Securities investment		IT business		Processing and sales of food products		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
												(Restated)
Amounts included in the measure of segment profit or loss:												
Depreciation	**1,891**	1,981	**12**	–	**–**	–	**30**	–	**–**	–	**1,933**	1,981
Unallocated depreciation											**106**	831
Total depreciation											**2,039**	2,812
Amortisation	**23**	23	**–**	–	**–**	–	**–**	–	**–**	–	**23**	23
Gain on bargain purchase	**–**	–	**–**	–	**–**	–	**819**	–	**–**	–	**819**	–
Impairment loss of goodwill	**–**	891	**–**	–	**–**	–	**–**	–	**–**	–	**–**	891
Impairment loss of trade receivables	**–**	6,028	**–**	–	**–**	–	**686**	–	**–**	–	**686**	6,028
Impairment loss of property, plant and equipment	**6,214**	26,867	**–**	–	**–**	–	**–**	–	**–**	–	**6,214**	26,867
Addition to non-current assets	**952**	1,502	**185**	–	**–**	–	**163**	–	**35,848**	–	**37,148**	1,502
Unallocated											**37**	517
Total additions to non-current assets											**37,185**	2,019

Geographical information

The Group operates in three principal geographical areas including Australia, the PRC and Hong Kong.

The Group's revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from external customers		Non-current assets	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Australia	**–**	–	**41,463**	–
PRC	**18,204**	24,607	**10,928**	19,016
Hong Kong	**10,535**	158	**33,578**	–
	28,739	24,765	**85,969**	19,016

3. SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers of corresponding years contributing over 10% of total revenue of the Group is as follows:

	2014	2013
	HK$'000	*HK$'000*
Customer A	**N/A**[1]	2,755[3]
Customer B	**3,491**[3]	N/A[1]
Customer C	**4,032**[2]	N/A[1]
	7,523	2,755

[1] The corresponding customer did not contribute over 10% or more to the Group's revenue in the respective year

[2] Revenue from IT business segment

[3] Revenue from agricultural segment

4. REVENUE AND OTHER INCOME, GAINS AND LOSSES

An analysis of the Group's revenue and other income, gains and losses for the year is as follows:

	2014	2013
	HK$'000	*HK$'000*
Revenue		
Sale of feedstock products and animal husbandry products	**7,528**	24,607
Provision of IT contract and maintenance services	**10,676**	–
Dividend income from listed equity investments	**375**	–
Loan interest income	**10,160**	158
	28,739	24,765
Other income, gains and losses		
Bank interest income	**23**	7
Gain on bargain purchase	**819**	–
Loss on disposal of property, plant and equipment	**(211)**	(50)
Reversal of impairment loss of trade receivables	**6,075**	–
Sundry income	**937**	130
	7,643	87
	36,382	24,852

5. FINANCE COSTS

	2014	2013
	HK$'000	*HK$'000*
Interest on bank borrowings wholly repayable within five years	**101**	310

6. INCOME TAX EXPENSE

Income tax expense recognised in profit or loss

	2014	2013
	HK$'000	*HK$'000*
Current tax		
PRC Enterprise Income Tax	**24**	121
Under provision in prior year		
PRC Enterprise Income Tax	**–**	49
Deferred tax	**–**	–
Total income tax expense recognised in profit or loss	**24**	170

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No provision for Hong Kong Profits Tax had been made as the Group had no assessable profits arising in or derived from Hong Kong for both years.

PRC subsidiaries are subject to PRC Enterprise Income Tax rate at 25% for both years. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Income tax expense recognised directly in equity

	2014	2013
	HK$'000	*HK$'000*
Deferred tax		
Conversion of convertible notes	**–**	509
Total income tax expense recognised directly in equity	**–**	509

7. LOSS FOR THE YEAR

	2014	2013
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging (crediting):		
Employee benefits expense (excluding directors' emoluments)		
– Salaries and other benefits	**5,944**	5,005
– Contributions to retirement benefits schemes	**548**	169
– Equity-settled share-based payments	**2,032**	–
Directors' emoluments	**3,618**	2,761
Total staff costs	**12,142**	7,935
Cost of inventories and services recognised as an expense (included in cost of sales and services)	**7,416**	24,865
Auditors' remuneration	**550**	320
Amortisation of prepaid lease payments	**23**	23
Depreciation of property, plant and equipment	**2,039**	2,812
Equity-settled share-based payments granted to consultant	**1,308**	–
Impairment loss of trade receivables	**686**	6,028
Net exchange loss/(gain)	**90**	(1,769)
Loss on disposal of property, plant and equipment	**211**	50
Minimum lease payments paid under operating leases in respect of land and buildings	**1,325**	944

8. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following basis:

Loss

	2014	2013
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company for the purposes of basic and diluted loss per share	**(15,289)**	(40,053)

8. LOSS PER SHARE (Continued)

Number of shares

	2014	2013
	'000	*'000*
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**1,207,657**	167,648

The weighted average number of ordinary shares for the purposes of calculating basic and diluted loss per share for the years ended 31 December 2013 and 2014 has been adjusted to reflect the bonus element of the right issue completed during the year ended 31 December 2014 and the effect of consolidation of shares.

The computation of diluted loss per share for the years ended 2013 and 2014 did not assume the exercise of the Company's potential ordinary shares granted under the Company's share options scheme and convertible notes since their exercise and conversion would have an anti-dilutive effect.

9. BIOLOGICAL ASSETS

Movements of the biological assets are summarised as follows:

	Breeder	**Slaughter pigs**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
Cost			
Balance at 1 January 2013	249	312	561
Increase due to purchases	138	320	458
Increase due to raising (feeding cost and others)	189	1,596	1,785
Decrease due to sales	(8)	(773)	(781)
Decrease due to death	–	(1)	(1)
Loss arising from changes in fair value less costs to sell	(371)	(603)	(974)
Effect of foreign currency exchange differences	13	27	40
Balance at 31 December 2013	210	878	1,088
Increase due to purchases	–	476	476
Increase due to raising (feeding cost and others)	399	2,675	3,074
Decrease due to sales	(432)	(3,165)	(3,597)
Decrease due to death	–	(1)	(1)
Gain arising from changes in fair value less costs to sell	1	4	5
Effect of foreign currency exchange differences	(2)	(4)	(6)
Balance at 31 December 2014	176	863	1,039

10. TRADE RECEIVABLES

	2014	2013
	HK$'000	*HK$'000*
Trade receivables	**6,242**	12,168
Allowance for doubtful debts	**(686)**	(6,028)
	5,556	6,140

The following is an analysis of trade receivables by age, presented based on the invoice date, net of allowance for doubtful debts:

	2014	2013
	HK$'000	*HK$'000*
0 – 90 days	**1,239**	952
91 – 180 days	**386**	2,467
Over 180 days	**3,931**	2,721
	5,556	6,140

The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of 30 to 90 days for major customers. The Group seeks to maintain strict control over its outstanding receivables and the management regularly reviews the overdue balances.

11. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2014	2013
	HK$'000	*HK$'000*
Prepayments	**2,981**	1,835
Deposits and other receivables	**19,188**	269
	22,169	2,104
Current portion of prepaid lease payments	**23**	23
	22,192	2,127

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

12. LOAN AND INTEREST RECEIVABLES

	2014	2013
	HK$'000	*HK$'000*
Loan and interest receivables	**182,858**	4,658
Investing loan	**–**	16,795
Impairment loss recognised on investing loan	**–**	(16,795)
	–	–
	182,858	4,658

	2014	2013
	HK$'000	*HK$'000*
Loan and interest receivables		
Amounts due within one year	**156,608**	4,658
Amounts due over one year	**26,250**	–
	182,858	4,658
Less: amounts shown under current assets	**(156,608)**	(4,658)
Amounts shown under non-current assets	**26,250**	–

12. LOAN AND INTEREST RECEIVABLES (Continued)

The Group seeks to maintain strict control over its outstanding loan and interest receivables so as to minimise credit risk. The granting of loans is subject to approval by the management, whilst overdue balances are reviewed regularly for recoverability. Loan and interest receivables are charging on effective interest rate mutually agreed with the contracting parties, ranging from 7.0% to 15.0% (2013: 10.0%) per annum.

A maturity profile of the loan and interest receivables as at the end of the reporting period, based on the maturity date is as follows:

	2014	2013
	HK$'000	*HK$'000*
0-90 days	**73,518**	4,658
91-180 days	**31,050**	–
Over 180 days	**78,290**	–
	182,858	4,658

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2014	2013
	HK$'000	*HK$'000*
Held-for-trading investments		
Equity securities listed in Hong Kong	**524**	31,650

14. BANK BORROWINGS

	2014	2013
	HK$'000	*HK$'000*
Secured bank loans	**5,905**	3,805

15. TRADE AND OTHER PAYABLES

	2014	2013
	HK$'000	*HK$'000*
Trade payables	**4,624**	3,804
Other payables and accruals	**27,840**	7,552
	32,464	11,356

The following is an analysis of trade payables by age based on invoice date at the end of the reporting period:

	2014	2013
	HK$'000	*HK$'000*
0 – 90 days	**2,674**	3,804
91 – 180 days	**316**	–
180 – 365 days	**548**	–
Over 365 days	**1,086**	–
	4,624	3,804

16. COMPARATIVE FIGURES

In previous year, the Group's loan interest income of approximately HK$158,000 was included in "Other income, gains and losses" in the consolidated statement of profit or loss and other comprehensive income. In current year, the comparative amount of such loan interest income has been reclassified to conform with the current year's presentation and included in "Revenue".

In addition, in previous year the Group's impairment loss of investing loan of approximately HK$16,795,000 was included in "General and administrative expenses" in the consolidated statement of profit or loss and other comprehensive income. In current year, the comparative amount of such impairment loss of investing loan has been reclassified to conform with the current year's presentation and presented in the face of the consolidated statement of profit or loss and other comprehensive income.

In addition, in previous year the Group's amount due to an investor of approximately HK$124,000 was presented in the face of the consolidated statement of financial position. In current year, the comparative amount of such amount due to an investor has been reclassified to conform with the current year's presentation and included in "Trade and other payables".

DIVIDEND

The directors of the Company do not recommend the payment of any dividend in respect of the year ended 31 December 2014 (for the year ended 31 December 2013: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL AND BUSINESS REVIEW

With uncertainties brought by the volatile international market and the slowing China's economic growth, the global financial market remained overshadowed in 2014. Oriental Unicorn Agricultural Group Limited (the "Company") and its subsidiaries (the "Group") recorded a loss attributable to owners of the Company of HK$15,289,000 for the year ended 31 December 2014, representing a decrease in loss of approximately HK$24,764,000 as compared with HK$40,053,000 in 2013. The net loss attributable to owners of the Company in 2013 was mainly attributable to the impairment losses of property, plant and equipment of HK$26,867,000, impairment loss of investing loan of HK$16,795,000 and impairment loss of trade receivables of HK$6,028,000.

The net loss attributable to owners of the Company for the year ended 31 December 2014 was mainly attributable to the change in fair value of financial asset through profit or loss of HK$23,382,000 and impairment loss of property, plant and equipment of HK$6,214,000, which were offset by the loan interest income from the new money lending business of HK$10,160,000, reversal of impairment loss of investing loan of HK$16,795,000 and reversal of impairment loss of trade receivables of HK$6,075,000.

The turnover of the Group for the year was approximately HK$28,739,000, representing a increase of approximately HK$3,974,000 as compared to HK$24,765,000 last year; while gross profit was approximately HK$18,999,000 (2013: gross loss of HK$1,603,000). It was mainly due to the unsatisfactory performance of the feeding and breeding business. The feed plant for production of feedstock products was suspended from operation in the first half of the year to fine-tune the production line in order to improve the production process and quality of products. Also, since swine price remained at low level and the breeding areas operated by farmers around the plants continued to decline, the sales of feedstock products and husbandry products were still weak. However, during the year, the new businesses of professional IT contract and maintenance services contributed turnover of HK$10,676,000 while loan interest income contributed turnover of HK$10,160,000 to the Group.

General and administrative expenses for the year were approximately HK$29,209,000, an increase of approximately HK$9,477,000 as compared with HK$19,732,000 last year. In 2014, the Group recognized equity-settled share based expense of share options amounting to HK$4,730,000 at grant date and the new business of professional IT contract and maintenance services also contributed to the rise in general and administrative expenses.

MILK POWDER BUSINESS

In December 2014, the Group entered into the subscription agreement with Zhao Hui Holdings Limited (兆輝控股有限公司) ("Zhao Hui"), to subscribe 55% of the enlarged issued share capital of Zhao Hui at AUD2,227,500 in cash (equivalent to approximately HK$14,700,000). Pursuant to the subscription agreement, the Company, via its equity interest in Zhao Hui, indirectly holds the equity interest in Viplus Diary Pty Limited, (in Chinese, for identification only, 維愛佳乳業有限公司) ("Viplus"). Viplus is principally engaged in milk formula processing, production and related business and an operator of a dairy manufacturing plant in Victoria, Australia. It is one of the few Australian enterprises that have been registered by the Certification and Accreditation Administration of the PRC (中華人民共和國國家認證認可監督管理局) as an approved processing enterprise for infant formula milk powder products. It is the business plan of the Group to expand its business to the PRC market by establishing a specialised sales team to develop a nation-wide distribution network of infant formula milk powder products in the PRC and also through the establishment of an e-commerce sales platform to increase its market penetration and coverage.

The diary manufacturing plant of the Group is situated in the Toora area of South Gippsland, a region in Victoria, Australia whose main industry is dairy farming, and the site of the manufacturing plant has been engaging in dairy farming and production for over 120 years. The diary manufacturing plant of Viplus is certified by AQIS (Australian Quarantine and Inspection Services), Dairy Food Safety Victoria, ISO 9001:2008, ISO 14001:2004, ISO 22000:2005 and complies with the Halal Australia Halal Quality Assurance requirements. The acquisition is expected to diversify the Group's business and revenue sources into processing and distribution of milk formula products. The acquisition was completed before the end of the financial year.

MONEY LENDING BUSINESS

During the year, the Group used its surplus cash to fund its money lending business through its wholly-owned subsidiary, Way Union Finance Limited. Loan interest income under this business segment amounted to approximately HK$10,160,000 during the year. The outstanding principal amount of loan and interest receivables as at 31 December 2014 was HK$182,858,000. Loan receivables were interest-bearing at rates mutually agreed with contracting parties, ranging from 7% to 15% per annum.

AGRICULTURE

The turnover of the feeding and breeding business for the year was approximately HK$7,528,000, representing a decrease of approximately HK$17,079,000 as compared to HK$24,607,000 in 2013. The decrease was mainly due to the fact that the feed plant for production of feedstock products was suspended from operation in the first half of the year to fine-tune the production line in order to improve the production process and quality of products. Also, since swine price remained at low level and the breeding areas operated by farmers around the plants continued to decline, the sales of feedstock products and husbandry products were still weak.

In June 2014, the Company and Bo Da Dong Fong Agricultural Development Co., Ltd（博大東方農業發展有限公司）("Bo Da Dong Fong") entered into a sales and purchase agreement, pursuant to which Bo Da Dong Fong conditionally agreed to buy, and the Company conditionally agreed to sell, 49% of the issued share capital of Tony China Limited, then a wholly-owned subsidiary of the Company. It represents an opportunity for the Group to realize its investment while allowing the Group to maintain a majority stake in Tony China Limited, and to introduce Bo Da Dong Fong Agricultural Development Co., Ltd. as a strategic partner in the Group's feedstock products and animal husbandry businesses. It is expected that the purchaser could bring resources and expertise in agricultural biotechnology to benefit the operations and business of the Group. The transaction was completed in August 2014.

Lapse of memorandum of understanding

On 31 December 2014, the memorandum of understanding ("MOU") in relation to the formation of the Proposed JV Company lapsed and the Company shelved the plan in the development of the new business of nurture, processing and sale of the organic Wannan Black Hair Pigs and its related products.

IT BUSINESS

In May 2014, the Group acquired all of the issued shares of 易寶電腦系統（北京）有限公司 (in English, for identification purpose only, EPRO Computer Systems (Beijing) Company Limited), a limited company incorporated in the PRC and a wholly foreign-owned enterprise, at the total consideration of HK$3,000,000. It is principally engaged in the provision of professional IT contract and maintenance services. During the year, EPRO Computer Systems (Beijing) Company Limited contributed a turnover of approximately HK$10,676,000 to the Group since the date of acquisition to the end of the financial year.

SECURITIES INVESTMENT

During the year, the Group has investments in securities of listed and non-listed companies in order to diversify its investment portfolios and increase returns to shareholders.

In June 2014, the Group entered into a sale and purchase agreement, pursuant to which the Group has agreed to acquire 19% stake in Blue Farm Limited from Cassia Investments Limited Partnership I at an aggregate consideration of US$902,500 (equivalent to approximately HK$7,007,000). Blue Farms Limited holds a non-wholly owned Hong Kong subsidiary, which is a fast growing Hong Kong-style chain restaurant operator principally engaged in the business of operating restaurants, cafes and take-away outlets in Hong Kong with a strong brand image and a captive customer base.

In July 2014, the Group disposed of a total of 15,000,000 shares of New Ray Medicine International Holding Limited (Stock Code: 8180), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on GEM, in the open market for an aggregate cash consideration of approximately HK$8,400,000.

RIGHTS ISSUE

In May 2014, the Company completed the rights issue on the basis of 13 rights issue for every two existing shares held on the record date, whereby 1,127,441,250 new shares of HK$0.16 each were issued for HK$180,390,600. The net proceeds raised were approximately HK$172,000,000.

ISSUE OF NEW SHARES TO CHINA CULIANGWANG BEVERAGES HOLDINGS LIMITED

In October 2014, the Company and China Culiangwang Beverages Holdings Limited (Stock Code: 904) (the "Subscriber") entered into the two subscription agreements, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue 260,000,000 shares at the subscription price of HK$0.175 per share under the general mandate ("GM Subscription") and 83,000,000 shares at the subscription price of HK$0.175 per share under the specific mandate ("SM Subscription").

The GM Subscription was completed in November 2014 and 260,000,000 new shares were issued for HK$45,500,000. The net proceeds raised were approximately HK$45,300,000.

After the year end, the ordinary resolution in relation to the allotment and issue of the shares under the SM Subscription was duly passed by shareholders. The SM Subscription was completed in February 2015 and 83,000,000 new shares were issued for HK$14,525,000. The net proceeds raised were approximately HK$14,000,000.

Given that the Company and the Subscriber are both involved in the agricultural industry, there is potential cooperation opportunity between the parties in the future. Considering that the Subscriber has successful experience in growing, processing and distributing the agricultural products other than feedstock related, the cooperation between the Company and the Subscriber will be beneficial to the improvement of the Company's current production technology and distribution strategy, and its future expansion to other fields of the agricultural industry.

CHANGE OF DOMICILE

During the year, the Company has been de-registered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda. The change of domicile became effective on 8 May 2014 (Bermuda Time).

PROSPECT

Looking ahead, the Group will actively expand the milk formula business in Mainland China through its non-wholly-owned subsidiary, Viplus, which is one of the few Australian enterprises that have been registered by the Certification and Accreditation Administration of the PRC（中華人民共和國國家認證認可監督管理局）as an approved processing enterprise for infant formula milk powder products. With strong demand for safe and high quality milk products, the growth of China's dairy marketplace surged over the past decade. The Group believes the new business has a great potential and will bring a promising return to the Group.

With the bright outlook in the money lending sector in Hong Kong, the Group will strive to diversify the revenue stream by putting more efforts into the money lending business. In addition, the Group will put more resources into other financial areas including investments in securities of listed and non-listed companies in order to earn higher returns. Also, the Group will continue the development of its new segment of the IT industry of professional IT contract and maintenance services.

The Group will also continue to strengthen the existing feed business and breeding business by uplifting its service standards to farmers and increase its competitiveness in the market through optimizing product qualities, strengthening business operation and improving marketing management.

In 2015, the Company is set to build a brighter future on its past success. The Group will remain dedicated to exploring new business opportunities and bringing in new dynamics for the Group's revenue growth, and continue to entrench its predominance and market position. The Board believes its solid foundation and professional management team will be able to boost the sales performance and maximize the interests of the shareholders.

MATERIAL ACQUISITION AND DISPOSAL

In July 2013, Keen Profit Development Limited ("Keen Profit"), an indirect wholly-owned subsidiary of the Company, entered into a deed of novation ("Novation Deed") with Successful Treasure Investments Limited ("Successful Treasure") and ENRICH MARINE SDN. BHD. ("EMSB"), pursuant to which, in consideration of the payment of HK$16,740,000 paid by Keen Profit to Successful Treasure, Keen Profit shall be entitled to all rights, title and interest and assume all liabilities and obligations of Successful Treasure under the investment agreement dated 25 April 2012 ("Investment Agreement") entered into between Successful Treasure and EMSB in relation to the operation of a fish farm owned and operated by EMSB in Sabah, Malaysia.

MATERIAL ACQUISITION AND DISPOSAL (CONTINUED)

In January 2014, Keen Profit and EMSB entered into an extension agreement ("Extension Agreement") to the Investment Agreement on 3 January 2014 pursuant to which the parties have agreed to extend the investment period under the Investment Agreement to 26 calendar months from the date of the commencement of the investment under the Investment Agreement, and the original minimum guaranteed amount of HK$1,550,000 under the Investment Agreement has been revised upward to HK$2,015,000 to reflect Keen Profit's shared profit pursuant to the extension of the Investment Period. Save for the above changes to the Investment Agreement under the Extension Agreement, all other terms and conditions of the Investment Agreement remain the same. The full amount of the investment and the interests accrued was duly repaid during the year.

In May 2014, the Group completed the acquisition of 100% of the issued shares of 易寶電腦系統(北京)有限公司, a limited company incorporated in the PRC and a wholly foreign-owned enterprise, at the total consideration of HK$3,000,000. It is principally engaged in the provision of professional IT contract and maintenance services.

In June 2014, the Group completed the acquisition of 19% of the issued share capital of Blue Farm Limited, a company incorporated in the Cayman Islands with limited liability; and the related shareholder's loan owed by Blue Farm Limited to the vendor, at an aggregate consideration of US$902,500 (equivalent to approximately HK$7,007,000). Blue Farm Limited holds a non-wholly owned Hong Kong subsidiary, which is an operator of a chain of Hong Kong-style restaurants.

In June 2014, the Company and Bo Da Dong Fong, entered into a sales and purchase agreement, pursuant to which Bo Da Dong Fong conditionally agreed to buy, and the Company conditionally agreed to sell, 49% of the issued share capital of Tony China Limited, then a wholly-owned subsidiary of the Company, at a consideration of HK$6,000,000. Tony China Limited and its subsidiaries are principally engaged in the manufacturing and distribution of feedstock products, animal husbandry and related activities. The transaction was completed in August 2014.

In July 2014, the Company disposed of a total of 15,000,000 shares of New Ray Medicine International Holding Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on GEM of the Stock Exchange (Stock Code: 8180), on the open market for an aggregate cash consideration of approximately HK$8,400,000.

MATERIAL ACQUISITION AND DISPOSAL (CONTINUED)

In December 2014, the Group completed the subscription of 55% of the enlarged issued share capital of Zhao Hui at AUD2,227,500 in cash (equivalent to approximately HK$14,700,000). After the subscription, the Company, via its equity interest in Zhao Hui, indirectly holds the equity interest in Viplus. Viplus is principally engaged in milk formula processing, production and related business and an operator of a dairy manufacturing plant in Victoria, Australia. With effect from the completion of the subscription, the financial results of Zhao Hui and its non-wholly owned subsidiaries will be consolidated into the consolidated financial statements of the Company.

Saved as disclosed above, the Company does not have any significant acquisition and disposal during the twelve months ended 31 December 2014.

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2014, the Group had cash and bank balances of approximately HK$119,860,000 (2013: HK$37,773,000) and net current assets of approximately HK$259,478,000 (2013: HK$68,095,000). Current ratio (defined as total current assets divided by total current liabilities) was 5.83 times (2013: 5.49 times).

As at 31 December 2014, the Group had bank borrowings of approximately HK$5,905,000 (2013: HK$3,805,000). The Group's bank balances and borrowings were denominated in Hong Kong dollars, United States dollars, Renminbi and Australian dollars. The bank borrowings bore interest at prevailing market rates and repayable in accordance with the relevant loan agreements.

The Group's gearing ratio, which is calculated on the basis of the Group's total liabilities to the total assets, as at 31 December 2014 was 14% (2013: 15%).

FOREIGN EXCHANGE AND INTEREST RATE EXPOSURE

For the year ended 31 December 2014, most of the Group's business transactions, assets and liabilities were principally denominated in Renminbi ("RMB"), Hong Kong dollars ("HK$"), Australian dollars ("AU$"), United States dollars ("US$") and HK$ is the Group's presentation currency. The Group is exposed to potential foreign exchange risk as a result of fluctuation of RMB, AU$ and US$ against HK$. The Group currently does not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider using hedging instruments in respect of significant foreign currency exposure should the need arise.

When appropriate and at times of interest rate or exchange rate uncertainties or volatility, hedging instruments including swaps and forwards will be used by the Group in the management of exposure affecting interest rates and foreign exchange rate fluctuations.

EMPLOYEE INFORMATION AND REMUNERATION POLICY

As at 31 December 2014, the Group had approximately 113 employees excluding directors in Hong Kong, the PRC and Australia (2013: 47 in Hong Kong and the PRC). The Group's remuneration policy is to provide competitive level of remuneration to employees and directors based on their performance, qualification, experience and the prevailing industry practice.

Apart from regular remuneration, discretionary bonus and share options may be granted to eligible staff by reference to the Group's performance as well as individual's performance.

Pursuant to the share option scheme adopted by the Company on 30 September 2013 (the "Share Option Scheme"), the Board may grant options to eligible persons, including employees and Directors, to subscribe for shares of the Company. During the year, the Company had granted 122,200,000 share options.

CHARGES OF GROUP ASSETS

As at 31 December 2014, the bank loans amounting to HK$5,905,000 were secured by the Group's property, plant and equipment with carrying amount of approximately HK$35,848,000 and a guarantee provided by a non-controlling shareholder of a subsidiary and personal guarantee of directors of a subsidiary (2013: Bank loans of $3,805,000 secured by prepaid lease payment with carrying amount of approximately HK$1,077,000).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES OF THE COMPANY

As at 31 December 2014, the Directors and chief executive of the Company had the following interests or short positions of the directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

Long positions in underlying shares of the Company

Name of Directors	Nature of interest	Number of underlying ordinary shares of the Company held *(Note 1)*	Approximate % of shareholding of the Company
Mr. Zhou Jing	Beneficial owner	13,000,000	0.83%
Mr. Lam Chun Kei	Beneficial owner	13,000,000	0.83%
Mr. Lin Chuen Chow Andy	Beneficial owner	1,300,000	0.08%
Mr. Lee Kin Fai	Beneficial owner	1,300,000	0.08%
Ms. Cheng Lo Yee	Beneficial owner	1,300,000	0.08%

Note:

1. These represented the interests in underlying shares in respect of the share options granted by the Company on 12 August 2014.

DIRECTORS' RIGHTS TO ACQUIRE SHARE OR DEBENTURES

Save as disclosed under the section headed "Directors' and Chief Executives' Interests in Securities of the Company" above, at no time during the year was the Company or any of its holding companies or subsidiaries a party to any arrangements which enabled the Company's Directors, their respective spouse or minor children to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 December 2014, so far as is known to the Directors, the following persons, other than a director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Name of Shareholder	Nature of Interest	Number of shares and underlying shares		Approximate percentage of interest
Mr. Lin Cheuk Fung	Beneficial owner	149,678,750	(L)	9.59%
China Culiangwang Beverages Holdings Limited	Beneficial owner	343,000,000	(L)	21.97%

Note:

1. The letter (L) above denotes long position.

2. Mr. Lin Cheuk Fung is a cousin of Mr. Lin Chuen Chow Andy, a non-executive Director.

Save as disclosed above, as at 31 December 2014, so far as is known to the Directors, there was no other person who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or, had a direct or indirect interests amounting to 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Group.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors.

The Company has made specific enquiry to all Directors and the Directors have confirmed that they have complied with all the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules during the year ended 31 December 2014.

CORPORATE GOVERNANCE CODE

During the year ended 31 December 2014, the Company has adopted and complied with the code provision (the "Code Provision") as set out in the "Corporate Governance Code" contained in Appendix 15 (the "Code") of the GEM Listing Rules except for Code Provision A.2.1 in respect of the role separation of chairman and chief executive officer.

The deviation from the Code Provisions will be explained below. The Company aims to comply with all the Code Provision and will review and update the current practices of the corporate governance regularly in order to achieve the aims.

The Code Provisions A.2.1 requires the position of the chairman and the chief executive officer be held separately by two individuals to ensure their independence, separate accountability and responsibilities. The chairman of the Company is responsible for the overall leadership of the Company and for strategies and planning of the Group. The chief executive officer is responsible for the day-to-day management of the Group's business and operations.

Mr. Zhou Jing assumes the role of both the chairman of the Board and the chief executive officer of the Company. The Board believes that vesting both the roles of chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

None of the Directors or their respective associates had any interest in any business, which competes with or may compete with the business of the Group during the year.

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

During the year ended 31 December 2014, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities or the securities of the Company's subsidiaries.

MANAGEMENT CONTRACT

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or in existence during the year ended 31 December 2014.

AUDIT COMMITTEE

The audit committee of the Company consists of three independent non-executive Directors, namely, Mr. Lee Kin Fai (chairman of the Committee), Ms. Cheng Lo Yee and Mr. Hung Kenneth with written terms of reference in compliance with the Rule 5.28 to 5.33 to the GEM Listing Rules. The audit committee has reviewed the final results for the year ended 31 December 2014.

On behalf of the Board
Oriental Unicorn Agricultural Group Limited
Zhou Jing
Chairman and Chief Executive Officer

Hong Kong, 27 March 2015

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Zhou Jing and Mr. Lam Chun Kei; one non-executive Director, namely Mr. Lin Chuen Chow Andy; and three independent non-executive Directors, namely Mr. Lee Kin Fai, Ms. Cheng Lo Yee and Mr. Hung Kenneth.

This announcement will remain on the" Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of seven days from the date of publication and on the Company's website at www.irasia.com/listco/hk/orientalunicorn/index.htm.