DINGYI GROUP INVESTMENT LIMITED
鼎億集團投資有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 508)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of DINGYI GROUP INVESTMENT LIMITED (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 September 2015, together with the comparative figures for the corresponding period in 2014 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2015

		Unaudited six months ended 30 September	
		2015	2014
	Notes	***HK$'000***	*HK$'000*
Continuing operations			
Revenue	*2*	**17,315**	17,408
Cost of sales		**(2,343)**	(1,646)
Gross profit		**14,972**	15,762
Other income	*3*	**1,240**	3,825
Realised gain on the disposal of held for trading investments		**63,157**	4,167
(Loss) gain arising from changes in fair value of held for trading investments		**(153,662)**	10,031
Loss arising from changes in fair value of derivative financial liabilities		**(213,321)**	–
Gain arising from changes in fair value of derivative financial assets, net		**–**	4,412
Gain arising from disposal of interests in subsidiaries		**–**	9,562
Impairment loss on available-for-sale financial assets		**(10,173)**	(8,701)
Selling and distribution costs		**(2,163)**	(1,847)
General and administrative expenses		**(37,432)**	(17,453)
Finance costs	*4*	**(15,605)**	(5,879)
(Loss) profit before taxation	*5*	**(352,987)**	13,879
Income tax expense	*6*	**–**	(227)
(Loss) profit for the period from continuing operations		**(352,987)**	13,652

	Notes	Unaudited six months ended 30 September 2015 HK$'000	2014 HK$'000
Discontinued operations			
Loss for the period from discontinued operations		**–**	(307)
(Loss) profit for the period		**(352,987)**	13,345
(Loss) profit for the period attributable to the owners of the Company			
– from continuing operations		**(354,744)**	13,556
– from discontinued operations		**–**	(157)
(Loss) profit for the period attributable to the owners of the Company		**(354,744)**	13,399
Profit (loss) for the period attributable to non-controlling interests			
– from continuing operations		**1,757**	96
– from discontinued operations		**–**	(150)
		(352,987)	13,345
(Loss) earnings per share	*7*		
Basic and diluted (loss) earnings per share *(HK cents per share)*			
– from continuing operations		**(8.89)**	0.41
– from discontinued operations		**–**	–
		(8.89)	0.41

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2015

	Unaudited six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
(Loss) profit for the period	**(352,987)**	13,345
Other comprehensive (expense) income for the period		
Items that may be reclassified to profit or loss:		
Exchange difference arising on translation of overseas operations	**(3,071)**	41
Total comprehensive (expense) income for the period	**(356,058)**	13,386
Total comprehensive (expense) income for the period attributable to:		
The owners of the Company	**(356,810)**	13,440
Non-controlling interests		
– from continuing operations	**752**	96
– from discontinued operations	**–**	(150)
	(356,058)	13,386

Note: Items shown within other comprehensive income have no tax effect.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2015

	Notes	Unaudited 30 September 2015 HK$'000	Audited 31 March 2015 HK$'000
Non-current assets			
Plant and equipment	*9*	**8,017**	9,831
Finance lease receivables	*10*	**6,665**	–
Available-for-sale financial assets		**76,629**	65,839
Non-current deposits and prepayments		**1,824**	1,813
		93,135	77,483
Current assets			
Inventories		**7,612**	7,850
Debtors, deposits and prepayments	*11*	**67,922**	17,541
Finance lease receivables	*10*	**93,124**	–
Loan receivables	*12*	**233,418**	95,555
Held for trading investments	*13*	**582,074**	118,945
Derivative financial assets		**1,728**	1,728
Cash and cash equivalents		**142,216**	194,020
		1,128,094	435,639
Current liabilities			
Margin loans payable	*14*	**278,996**	14,038
Creditors, deposits and accruals	*15*	**13,785**	10,979
Amounts due to related companies		**14**	311
Derivative financial instruments		**–**	618,633
Current income tax liabilities		**2,743**	2,743
Obligation under a finance lease		**1,472**	1,443
		297,010	648,147
Net current assets (liabilities)		**831,084**	(212,508)
Total assets less current liabilities		**924,219**	(135,025)

	Notes	Unaudited 30 September 2015 *HK$'000*	Audited 31 March 2015 *HK$'000*
Capital and reserves			
Share capital	*16*	**46,072**	33,046
Reserves		**556,161**	(317,260)
Equity attributable to the owners of the Company		**602,233**	(284,214)
Non-controlling interests		**70,651**	69,899
Total equity		**672,884**	(214,315)
Non-current liabilities			
Obligation under a finance lease		**631**	1,373
Convertible bonds	*17*	**250,704**	77,917
		251,335	79,290
		924,219	(135,025)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements for the six months ended 30 September 2015 ("**Interim Financial Statements**") have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**"), which is a collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("**HKASs**") and Interpretations (the "**Interpretations**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure requirements of the Listing Rules (the "**Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Interim Financial Statements have been prepared under the historical cost convention except for certain financial assets and investment properties that are measured at fair value. Historical cost is generally based on the fair value of the consideration of given in exchange of assets.

The accounting policies adopted in preparing the Interim Financial Statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 March 2015 (the "**2014/15 Financial Statements**"), except for the new and revised standards, amendments and interpretations of HKFRSs ("**new and revised HKFRSs**") issued by HKICPA which have become effective in this period as detailed in notes to the 2014/2015 Financial Statements. The directors of the Company believe that the application of these new and revised HKFRSs has no material impact on the amounts reported and disclosures set out in these Interim Financial Statements.

2 SEGMENT INFORMATION

Reportable segments are identified and reported in the manner consistent with internal reports that are regularly reviewed by the chief operating decision-marker (executive directors) in order to assess performance and allocate resources. The chief operating decision-maker accesses the performance of the reportable segments based on the revenue and profit/loss presented. No operating segments identified by the chief operating decision-maker have been aggregated in arriving at the reportable segments of the Group.

The Group has six reportable and operating segments (i) securities trading business; (ii) trading of wine business; (iii) food and beverages – restaurant business; (iv) loan financing business; (v) metal trading business; and (vi) financial leasing business. Segment revenue is measured in a manner consistent with that in the consolidated income statement.

2 SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's turnover, revenue and results from continuing operations by reportable and operating segment:

For the six months ended 30 September 2015

	Securities trading business *HK$'000*	Trading of wine business *HK$'000*	Food and beverages – restaurant business *HK$'000*	Loan financing business *HK$'000*	Metal trading business *HK$'000*	Financial leasing business *HK$'000*	Total *HK$'000*
Revenue							
External revenue	3,252	–	4,908	8,013	–	1,142	17,315
Realised gain on the disposal of held for trading investments	63,157	–	–	–	–	–	63,157
Segment profit (loss)	(99,536)	–	211	8,013	–	1,142	(90,170)
Interest income							406
Finance costs							(15,605)
Impairment loss on available-for-sale financial assets							(10,173)
Loss arising from changes in fair value of derivative financial liabilities							(213,321)
Unallocated corporate income							106
Unallocated corporate expenses							(24,230)
Loss before taxation							(352,987)

2 SEGMENT INFORMATION (Continued)

For the six months ended 30 September 2014

	Securities trading business *HK$'000*	Trading of wine business *HK$'000*	Food and beverages – restaurant business *HK$'000*	Loan financing business *HK$'000*	Metal trading business *HK$'000*	Financial leasing business *HK$'000*	Total *HK$'000*
Revenue							
External revenue	–	–	4,063	13,345	–	–	17,408
Realised gain on the disposal of held for trading investments	4,167	–	–	–	–	–	4,167
Segment profit (loss)	12,227	–	(1,078)	13,345	–	–	24,494
Interest income							656
Finance costs							(5,879)
Gain arising from changes in fair value of derivative financial assets, net							4,412
Gain arising from disposal of interests in subsidiaries							9,562
Impairment loss on available-for-sale financial assets							(8,701)
Unallocated corporate income							3,169
Unallocated corporate expenses							(13,834)
Profit before taxation							13,879

2 SEGMENT INFORMATION (Continued)

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

	As at 30 September 2015	As at 31 March 2015
	HK$'000	*HK$'000*
Segment assets		
Securities trading business	**582,074**	118,945
Trading of wine business	**7,250**	7,250
Food and beverages – restaurant business	**3,029**	3,731
Loan financing business	**233,418**	95,555
Metal trading business	**–**	9,053
Financial leasing business	**99,789**	–
Total segment assets	**925,560**	234,534
Unallocated corporate assets	**295,669**	278,588
Total consolidated assets	**1,221,229**	513,122
Segment liabilities		
Securities trading business	**278,996**	14,038
Trading of wine business	**–**	–
Food and beverages – restaurant business	**4,721**	5,624
Loan financing business	**–**	–
Metal trading business	**–**	13
Financial leasing business	**–**	–
Total segment liabilities	**283,717**	19,675
Other unallocated liabilities	**264,628**	707,762
Total consolidated liabilities	**548,345**	727,437

2 SEGMENT INFORMATION (Continued)

Other segment information

For the period ended 30 September 2015

	Securities trading business *HK$'000*	Trading of wine business *HK$'000*	Food and beverages – restaurant business *HK$'000*	Loan financing business *HK$'000*	Metal trading business *HK$'000*	Financial leasing business *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Amounts included in the measure of segment profit or loss or segment assets:								
Additions to non-current assets (other than available-for-sale financial assets)	**–**	**–**	**10**	**–**	**–**	**–**	**17**	**27**
Depreciation of plant and equipment	**–**	**–**	**(382)**	**–**	**–**	**–**	**(1,406)**	**(1,788)**
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:								
Interest income	**–**	**–**	**–**	**–**	**–**	**–**	**406**	**406**
Finance costs	**–**	**–**	**–**	**–**	**–**	**–**	**(15,605)**	**(15,605)**

For the period ended 30 September 2014

	Securities trading business *HK$'000*	Trading of wine business *HK$'000*	Food and beverages – restaurant business *HK$'000*	Loan financing business *HK$'000*	Metal trading business *HK$'000*	Financial leasing business *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Amounts included in the measure of segment profit or loss or segment assets:								
Additions to non-current assets (other than available-for-sale financial assets)	–	–	–	–	–	–	4,800	4,800
Depreciation of plant and equipment	–	–	(380)	–	–	–	(1,140)	(1,520)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:								
Interest income	–	–	–	–	–	–	656	656
Finance costs	–	–	–	–	–	–	(5,879)	(5,879)

2 SEGMENT INFORMATION (Continued)

Geographical information

For the period ended 30 September 2015, the Group's operation in food and beverages – restaurant business and financial leasing business are carried out wholly in PRC (2014: food and beverages – restaurant business in PRC), securities trading business and loan financing business are carried in Hong Kong and PRC (2014: Hong Kong).

Segment revenue by geographical market is shown in below:

	Revenue from external customers six months ended 30 September		Non-current assets	
			As at 30 September	As at 31 March
	2015	2014	2015	2015
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Hong Kong	**9,624**	13,345	**7,910**	9,272
PRC	**7,691**	4,063	**8,596**	2,372
	17,315	17,408	**16,506**	11,644

The Group had no inter-segment sales for the periods ended 30 September 2015 and 2014.

No customer accounted for 10% or more of the total revenue for the periods ended 30 September 2015 and 2014.

As at 30 September 2015 and 31 March 2015, the Group's non-current assets (excluding available-for-sale financial assets) are all located in Hong Kong and PRC.

3 OTHER INCOME

	2015	2014
	HK$'000	*HK$'000*
Continuing operations		
Effective interest income on convertible bond receivables	–	392
Bank interest income	**406**	264
Exchange gain	–	3,039
Others	**834**	130
	1,240	3,825

4 FINANCE COSTS

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
Continuing operations		
Interest on bank borrowings wholly repayable within five years	**1,967**	123
Effective interest expense on convertible bonds *(note 17)*	**13,589**	5,678
Interest expense on a finance lease	**49**	78
	15,605	5,879

5 (LOSS) PROFIT BEFORE TAXATION

(Loss) profit before taxation from continuing operations has been arrived at after charging:

	2015	2014
	HK$'000	*HK$'000*
Directors' emoluments	**2,304**	1,425
Other staff costs (excluding director's emoluments)	**3,745**	1,948
Retirement benefits scheme contribution (excluding directors' emoluments)	**54**	54
Total staff costs	**6,103**	3,427
Cost of inventories recognised as expenses	**2,343**	1,646
Depreciation of plant and equipment	**1,788**	1,520
Operating lease payments in respect of leasing of premises under minimum lease payments	**4,250**	4,390

6 INCOME TAX EXPENSE

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
Continuing operations		
Current income tax		
Overseas	–	227
Income tax expense	–	227

Hong Kong profits tax is calculated at the rate of 16.5% (2014: 16.5%) on the estimated assessable profits after offsetting losses brought forward of each individual company.

Overseas taxation in prior period including Mainland China taxation was calculated based on the rates applicable in the relevant jurisdiction on the estimated assessable profits.

Pursuant to the laws and regulations of the British Virgin Islands (the "**BVI**") and Bermuda, the Group is not subject to any income tax in the BVI and Bermuda.

7 (LOSS) EARNINGS PER SHARE

Basic and diluted (loss) earnings per share is calculated by dividing the (loss) profit attributable to the owners of the Company as set out below by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 September	
	2015	2014
	HK$'000	*HK$'000*
For continuing and discontinued operations		
(Loss) earnings from continuing operations attributable to the owners of the Company	**(354,744)**	13,556
Loss from discontinued operations attributable to the owners of the Company	–	(157)
	(354,744)	13,399

7 (LOSS) EARNINGS PER SHARE (Continued)

	Six months ended 30 September	
	2015	2014
	Number of shares	Number of shares
	'000	*'000*
Weighted average number of ordinary shares in issue	3,988,459	3,304,641
Basic (loss) earnings per share *(HK cents)*		
– Continuing operations	(8.89)	0.41
– Discontinued operations	–	–

Diluted (loss) earnings per share is same as basic (loss) earnings per share for the periods ended 30 September 2015 and 2014. The computation of diluted (loss) earnings per share does not assume the exercise of the Company's share options and conversion of the Company's outstanding convertible loan notes since their exercise would result in a decrease in loss per share for both periods.

8 DIVIDENDS

The Board has resolved not to declare any interim dividend for the six months ended 30 September 2015 (2014: nil).

9 PLANT AND EQUIPMENT

For the six months ended 30 September 2015, the Group acquired plant and equipment at a cost of HK$27,000 (HK$4,800,000 for the six months ended 30 September 2014). The net book value of furniture, fixtures, office equipment and motor vehicles included an amount of approximately HK$3,400,000 (31 March 2015: HK$3,967,000) in respect of asset held under a finance lease.

10 FINANCE LEASE RECEIVABLES

The Group entered into two finance lease agreements during the period ended 30 September 2015 (2014: nil). For the arrangement, a finance leasing customer (the "**Lessee A**") sold its plant and equipment to the Group at RMB75,600,000 (equivalent to approximately HK$92,179,000) and leased back the plant and equipment with the lease period of 1 year from the date of inception.

Another lessee ("**Lessee B**") leased the equipment purchased by the Group at RMB5,319,000 (equivalent to HK$6,485,000) from a selected supplier with the lease period of 2 years from the date of inception. The interest rates inherent in the leases are fixed at the contract date over the lease terms.

10 FINANCE LEASE RECEIVABLES (Continued)

For the above finance lease arrangements, the ownership of leased assets will be transferred to the lessees at a purchase option of RMB100 upon the settlement of the receivable under the finance lease arrangement and the interest accrued under the lease arrangement.

Effective interest rates of the above finance lease ranged from 6.15% to 6.6125% per annum.

	Minimum lease payments		**Present value of minimum lease payment**	
	2015	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Finance lease receivables comprises:				
Within one year	**98,277**	–	**93,124**	–
After one year but within two years	**6,915**	–	**6,665**	–
	105,192	–	**99,789**	–
Less: Unearned finance income	**5,403**	–	**–**	–
Present value of minimum lease payment receivables	**99,789**	–	**99,789**	–
Analysed for reporting purposes as:				
Current assets			**93,124**	–
Non-current assets			**6,665**	–
			99,789	–

The relevant lease agreements entered into of approximately HK$99,789,000 (2014: nil) was aged within 2 years at the end of the reporting period.

There was no unguaranteed residual value in connection with finance lease arrangements or contingent lease arrangements of the Group that needed to be recorded at the end of the reporting period.

10 FINANCE LEASE RECEIVABLES (Continued)

Lessee A and Lessee B are required to pay the Group through 2 and 4 half-yearly lease payments respectively from inception date up to maturity date. The finance lease receivables are neither past due nor impaired.

The fair value of receivable under finance lease arrangement approximates to its carrying amount.

The Group's finance lease receivables are denominated in RMB, the functional currency of the relevant group entity.

11 DEBTORS, DEPOSITS AND PREPAYMENTS

	As at 30 September 2015	As at 31 March 2015
	HK$'000	*HK$'000*
Trade debtors (a)	**–**	8,972
Other debtors, deposits and prepayments	**67,922**	8,569
	67,922	17,541

(a) Trade debtors

The Group has established different credit policies for customers in each of its core businesses. The credit period granted to trade debtors ranges from 30 – 60 days except for sales of food and beverages at restaurant, which are mainly on cash basis.

Trade debtors' balances that were neither past due nor impaired mainly relate to individuals or companies that have been the Group's customers for more than six months with no history of default in the past.

Included in the Group's trade debtors balance are debtors with aggregate carrying amount of approximately HK$8,972,000 which are past due as at 31 March 2015 for which the Group has not provided for impairment loss. The Group did not hold any collateral over these balances and during the period, these balances were settled.

12 LOAN RECEIVABLES

The loans receivables are due from independent third parties, which are unsecured and repayable from October 2015 to September 2016. The interest rates on the loans receivable are ranging from 10% to 48% per annum.

The following table illustrates the ageing analysis, based on the loan drawn down date, of the loan receivables (net of accumulated impairment losses) outstanding at the end of the reporting period:

	As at 30 September 2015	As at 31 March 2015
	HK$'000	*HK$'000*
Within 90 days	**139,892**	7,917
91 days to 180 days	**52,025**	5,114
181 days to 365 days	**41,501**	5,116
over 365 days	**–**	77,408
	233,418	95,555

The Group's loan financing customers included in the loan receivables are due for settlement at the date specified in the respective loan agreements.

As at 30 September 2015 and 31 March 2015, none of the loan receivables is past due and individually determined to be impaired or related to customers in financial difficulties. Consequently, no specific provision for impairment is recognised as at the end of each reporting period. The Group does not hold any collateral over these balances.

13 HELD FOR TRADING INVESTMENTS

Held for trading investments include:

	As at 30 September 2015 *HK$'000*	As at 31 March 2015 *HK$'000*
Listed securities held for trading, at fair value		
– Equity securities listed in Hong Kong *(note a)*	**546,705**	117,967
– Equity securities listed in the PRC	**22,846**	978
– Equity securities listed in the United States of America	**12,523**	–
	582,074	118,945

The fair values of the above listed securities are determined based on the quoted market bid prices available on the Hong Kong Stock Exchange and the Shanghai Stock Exchange or the market comparable approach at the end of the reporting period.

Note a: As at 30 September 2015 and 31 March 2015, included in the held for trading investments is the Group's investment in Superb Summit International Group Limited ("**Superb Summit**") which is listed on the Hong Kong Stock Exchange, with a carrying amount of approximately HK$29,910,000. The investment represented approximately 1.3% shareholding of the ordinary shares of Superb Summit International Group Limited. As at 30 September 2015 and 31 March 2015, the trading of the listed equity of Superb Summit was suspended and the fair value of the Company's investment in the listed equity of Superb Summit has been determined using market comparable approach reflects recent market value of comparable companies with similar business, adjusted for differences in nature, scope and location of the business.

As at 30 September 2015, the carrying amount of held for trading investments which have been pledged as security for the margin loan payable is approximately HK$582,074,000 (31 March 2015: HK$56,148,000), details of which are set out in note 14.

14 MARGIN LOANS PAYABLE

As at 30 September 2015, the margin loans payable was secured by the listed equity securities held under the margin accounts, with total market value of approximately HK$636,003,000 (31 March 2015: HK$92,395,000) (note 13).

The margin loans payable carried interest from 2.25% to 3% (31 March 2015: 3%) per annum.

15 CREDITORS, DEPOSITS AND ACCRUALS

	As at 30 September 2015	As at 31 March 2015
	HK$'000	*HK$'000*
Trade creditors	**322**	475
Other creditors, deposits and accruals	**13,463**	10,504
	13,785	10,979

As at 30 September 2015 and 31 March 2015, all the trade creditors are aged under 60 days based on invoice date.

16 SHARE CAPITAL

	Number of shares	**Share capital**
	'000	*HK$'000*
Authorised ordinary shares:		
At 31 March 2014, 1 April 2014, 31 March 2015, 1 April 2015 and 30 September 2015 of HK$0.01 per share	10,500,000	105,000
Issued and fully paid ordinary shares:		
At 31 March 2014, 1 April 2014, 31 March 2015 and 1 April 2015 of HK$0.01 per share	3,304,640	33,046
Issue of shares upon conversion of share options *(note (i))*	18,800	188
Issue of shares on conversion of CB1 *(note (ii))*	454,545	4,545
Issue of shares on conversion of CB2 *(note (iii))*	878,789	8,788
Repurchase and cancellation of shares *(note (iv))*	(49,535)	(495)
At 30 September 2015 of HK$0.01 per share	4,607,239	46,072

16 SHARE CAPITAL (Continued)

Notes:

(i) On 1 April 2015, a total of 2,000,000 shares options were exercised into 2,000,000 ordinary shares of HK$0.01 each at the exercise price of HK$0.375 per share.

On 9 June 2015, a total of 1,800,000 shares options were exercised into 1,800,000 ordinary shares of HK$0.01 each at the exercise price of HK$0.375 per share.

On 18 June 2015, a total of 15,000,000 shares options were exercised into 15,000,000 ordinary shares of HK$0.01 each at the exercise price of HK$0.477 per share.

(ii) On 22 June 2015, the convertible bonds in the aggregate amounted to HK$30,000,000 were converted into 136,363,636 ordinary shares of HK$0.01 each at the fixed conversion price of HK$0.22 per conversion share.

On 23 June 2015, the convertible bonds in the aggregate amounted to HK$20,000,000 were converted into 90,909,090 ordinary shares of HK$0.01 each at the fixed conversion price of HK$0.22 per conversion share.

On 25 June 2015, the convertible bonds in the aggregate amounted to HK$50,000,000 were converted into 227,272,727 ordinary shares of HK$0.01 each at the fixed conversion price of HK$0.22 per conversion share.

(iii) On 7 May 2015, the convertible bonds in the aggregate amounted to HK$20,000,000 were converted into 60,606,060 ordinary shares of HK$0.01 each at the fixed conversion price of HK$0.33 per conversion share to Wincon.

On 9 June 2015, the convertible bonds in the aggregate amounted to HK$30,000,000 were converted into 90,909,090 ordinary shares of HK$0.01 each at the fixed conversion price of HK$0.33 per conversion share to Wincon.

On 17 June 2015, the convertible bonds in the aggregate amounted to HK$30,000,000 were converted into 90,909,090 ordinary shares of HK$0.01 each at the fixed conversion price of HK$0.33 per conversion share to Wincon.

On 24 June 2015, the convertible bonds in the aggregate amounted to HK$40,000,000 were converted into 121,212,121 ordinary shares of HK$0.01 each at the fixed conversion price of HK$0.33 per conversion share to Wincon.

On 13 July 2015, the convertible bonds in the aggregate amounted to HK$170,000,000 were converted into 515,151,515 ordinary shares of HK$0.01 each at the fixed conversion price of HK$0.33 per conversion share to Wincon.

16 SHARE CAPITAL (Continued)

Notes: (Continued)

(iv) During the period ended 30 September 2015, the Company repurchased and cancelled 138,565,000 and 49,535,000 ordinary shares, respectively. The remaining 89,030,000 shares were cancelled in October 2015.

17 CONVERTIBLE BONDS

	CB 1	**CB 2**	**Total**
	(note (i))	*(note (ii))*	
	HK$'000	*HK$'000*	*HK$'000*
Liability component at 1 April 2014	52,328	–	52,328
Add: Liability component on initial recognition at 8 January 2015	–	14,182	14,182
Add: Effective interest expense	10,813	594	11,407
Liability component at 31 March 2015	63,141	14,776	77,917
Add: Liability component on initial recognition at: *(note (iii))*			
– 8 June 2015	–	21,916	21,916
– 16 June 2015	–	25,576	25,576
– 23 June 2015	–	25,576	25,576
– 25 June 2015	–	43,845	43,845
– 30 June 2015	–	14,615	14,615
– 2 July 2015	–	14,615	14,615
– 3 July 2015	–	36,538	36,538
– 6 July 2015	–	51,153	51,153
– 7 July 2015	–	87,690	87,690
– 8 July 2015	–	116,920	116,920
	–	438,444	438,444
Add: Effective interest expense *(note 4)*	3,010	10,579	13,589
Less: Converted into ordinary shares	(66,151)	(213,095)	(279,246)
Liability component at 30 September 2015	–	250,704	250,704

The convertible bonds – liability component are classified under non-current liabilities.

17 CONVERTIBLE BONDS (Continued)

Notes:

(i) The Group issued convertible bonds with a coupon rate of 2% per annum at a total principal value of HK$100,000,000 on 28 March 2013 and HK$100,000,000 on 31 May 2013 (the "**CB 1**") to four independent third parties (the "**bondholders**"). The convertible bonds will mature at 27 March 2018 and 30 May 2018 respectively at its principal amount or can be converted into a total of 909,090,000 shares at the bondholder's option at rate of HK$0.22 per conversion share.

The fair values of the convertible bonds of HK$109,939,000 and HK$194,332,000 were valued by an independent valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, as at 28 March 2013 and 31 May 2013 respectively. The convertible bonds comprise a liability component and an equity conversion component.

On 26 June 2013, the convertible bonds with principal amounts of HK$100,000,000 were converted into 454,545,454 ordinary shares of HK$0.01 each at the fixed conversion price of HK$0.22 per conversion share.

The fair values of the unlisted bond component were calculated by using a market interest rate of similar non-extendable and non-convertible bonds. The fair values of the convertible bonds were valued by using the Binomial Option Pricing Model. The residual amount, representing the value of the equity conversion component, is included in the convertible bond-equity conversion reserve under equity attributable to the owners of the Company.

(ii) The Group issued convertible bonds with zero coupon rate at a total principal amount of HK$20,000,000 on 8 January 2015 (the "**CB 2**") to its ultimate holding company, Wincon Capital Investment Limited ("**Wincon**"). The convertible bonds will mature at 7 January 2017 at its principal amount or can be converted into 60,606,060 shares at any time between the date of issue of the convertible bonds and the maturity date at the bondholder's option at rate of HK$0.33 per conversion share.

The fair value of the convertible bonds of HK$20,000,000 was valued by an independent valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, as at 8 January 2015. The convertible bonds comprise a liability component and an equity conversion component.

The fair values of the unlisted bond component were calculated by using a market interest rate of similar non-extendable and non-convertible bonds. The fair values of the convertible bonds were valued by using the Binomial Option Pricing Model. The residual amount, representing the value of the equity conversion component, is included in the convertible bond-equity conversion reserve under equity attributable to the owners of the Company.

17 CONVERTIBLE BONDS (Continued)

Notes: (Continued)

(ii) *(Continued)*

The convertible bonds issued on 8 January 2015 recognised in the consolidated statement of financial position are as follows:

	HK$'000
Cash received	20,000
Less: Legal and professional fee paid	(174)
Less: Equity conversion component	(5,644)
Liability component on initial recognition at 8 January 2015	14,182

(iii) The Group issued convertible bonds with zero coupon rate at an aggregate principal value of HK$600,000,000 for the six months period ended 30 September 2015 to Wincon. The convertible bonds will mature from 7 June 2017 to 7 July 2017 at its principal amount or can be converted into 1,818,181,818 shares at any time between the dates of issue of the convertible bonds and the maturity dates at the bondholder's option at rate of HK$0.33 per conversion share.

The convertible bonds comprise a liability component and an equity conversion component. The fair values of the unlisted bond component were calculated by using a market interest rate of similar non-extendable and non-convertible bonds. The fair values of the convertible bonds were valued by using the Binomial Option Pricing Model. The residual amount, representing the value of the equity conversion component, is included in the convertible bond-equity conversion reserve under equity attributable to the owners of the Company.

The convertible bonds issued during the six months ended 30 September 2015 recognised in the consolidated statement of financial position are as follows:

	HK$'000
Cash received	600,000
Fair values of derivative financial liabilities	831,954
Less: Equity conversion component	(993,510)
Total liability component on initial recognition as at the issued dates	438,444

18 CONTINGENT LIABILITIES

As at 30 September 2015, the Group had no significant contingent liabilities (31 March 2015: nil).

19 CAPITAL COMMITMENTS

As at 30 September 2015, the Group had no significant capital commitments (31 March 2015: nil).

20 COMPARATIVE FIGURES

Certain comparative figures had been reclassified to conform to current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group's revenue from its continuing operations amounted to HK$17 million during the six months ended 30 September 2015. This was similar to the revenue in the same period last year. There was a loss attributable to the Company's owners of HK$355 million, compared to a gain of HK$13 million in last period. The loss during the period was mainly due to the fair value loss on derivative financial liabilities amounted to HK$213 million and loss arising from changes in fair value of held for trading investments amounted to HK$154 million.

The basic and diluted loss per share amounted to HK8.89 cents during the six months ended 30 September 2015, compared with earnings per share of HK0.41 cents for the same period last year.

Food and Beverages

The food and beverages segment generated a revenue of HK$5 million during the period under review (2014: HK$4 million). The segment reported a profit of HK$0.2 million (2014: loss of HK$1 million) for the six months period ended 30 September 2015. The revenue and loss were contributed by the restaurant in Beijing, PRC which was acquired on 1 January 2014.

Securities Trading

During the period, the Group has actively in the securities and futures contracts trading business. The Group recorded a realised gain on held for trading investments of HK$63 million (2014: gain of HK$4 million), an unrealised loss on held for trading investments of HK$154 million (2014: unrealised gain of HK$10 million) and reported a loss of HK$100 million (2014: a profit of HK$12 million) during the period under review.

Trading of Wine

The Group has kept certain quantities of fine wines. The stocks will be offered to sell when the market prices are favorable such that the Group can obtain a good return on the trading. At present, the stocks are kept in the wine cellar situated in Hong Kong.

Loan Financing

During the period, the Group recorded a revenue of HK$8 million (2014: HK$13 million) and the segment profit was HK$8 million (2014: HK$13 million). The Group will further develop in this segment in order to earn a higher interest income.

Metal Trading

During the period, the Group did not record any turnover on metal trading. The Group will seek for more opportunities in this segment.

Financial Leasing

On 21 August 2014, the Company entered into the joint venture agreement to form a joint venture for the development and operation of the financial leasing business. During the period, the Group commenced to record turnover on financial leading. The Group has recorded HK$1 million (2014: nil) of interest income from financial leasing business.

The Early Redemption for Elemental Convertible Notes and Further Acquisition of Shares in Elemental

Pursuant to the Dingyi Convertible Note Facility entered by the Company and Elemental on 1 July 2013 (as defined and mentioned with details in the announcements of the Company dated 13 August 2013, 12 September 2013, 15 October 2013, 15 November 2013, 23 December 2013, 31 December 2013, 22 January 2014, 28 February 2014, 30 April 2014, 19 May 2014, 20 June 2014, 30 June 2014, 30 September 2014, 14 November 2014 and 31 December 2014 respectively and the circular of the Company dated 9 January 2015), the Company agreed to make a lead investment in Elemental to provide Elemental with interim working capital for its business. On 22 January 2014, Elemental had drawn the Dingyi Convertible Note Facility for an aggregate amount of AUD10 million (approximately HK$70.7

million), following the satisfaction of the conditions precedent to the Dingyi Convertible Note Facility. Up to 29,351,335 new shares of Elemental ("**Elemental Shares**") will be allotted and issued if all of the Elemental Convertible Notes subscribed by Elemental are converted.

Elemental is an advanced mining exploration and development company listed on the Australian Stock Exchange. It is currently developing the Sintoukola potash project located in the Republic of Congo.

On 16 May 2014, the Company received an early redemption notice (the "**Early Redemption Notice**") from Elemental in accordance with the Dingyi Convertible Note Facility pursuant to which Elemental had given notice to the Company that after the expiration of 30 days from the date of the Early Redemption Notice, it would redeem 10,000,000 Elemental Convertible Notes and pay the amount outstanding on those notes together with any interest accrued up to the date of the Early Redemption Notice.

On 20 June 2014, the Company received from Elemental a sum of AUD10.3 million (approximately HK$75.1 million), being the amount outstanding on those notes together with the interest accrued and the Company no longer held any Elemental Convertible Notes.

In addition, the Group acquired on-market 49,548,744 Elemental Shares in a series of transactions conducted during the period from 28 April 2014 to 24 April 2015 for an aggregate purchase price of approximately HK$61 million (exclusive of transaction costs). As at the date of this announcement, the Group holds an aggregate of 70,404,268 Elemental Shares, representing approximately 17.31% of the entire issued share capital of Elemental.

Details of the further acquisition of Elemental Shares were disclosed in the announcements of the Company dated 4 March 2015 and 17 April 2015 respectively.

Exercise of the World Pointer Put Option

On 30 December 2013, World Pointer Limited ("**World Pointer**"), a wholly-owned subsidiary of the Company, exercised the option to sell all of the 51% interests in the issued share capital each of the World Pointer Group at an aggregate cash consideration of HK$25,000,000. The completion of the sale and purchase of the option shares took place on 4 July 2014 and the consideration was paid to the Company on the same day.

Details of the exercise of the World Pointer put option were disclosed in the circular of the Company dated 25 February 2011 and the announcements of the Company dated 30 December 2013 and 4 July 2014.

Formation of Joint Venture on Financial Leasing Business

On 21 August 2014, the Company entered into the joint venture agreement (as supplemented by supplemental agreements dated 24 December 2014, 13 March 2015 and 19 May 2015) with an independent third party, Joy Well Investments Limited ("**JWIL**"), to form a joint venture ("**Joint Venture Company**") for the development and operation of the financial leasing business. Upon completion of the transaction, the Joint Venture Company will be owned as to 62.5% by the Company and 37.5% by JWIL. The parties had invested an aggregate RMB200,000,000 (approximately HK$252 million) into the Joint Venture Company, of which RMB125,000,000 (approximately HK$158 million) was contributed by the Company according to its shareholding percentage.

Details of the above transaction were disclosed in the announcements of the Company dated 31 August 2014, 10 September 2014, 30 September 2014, 17 October 2014, 25 November 2014, 24 December 2014, 13 March 2015 and 19 May 2015 respectively and the circular of the Company dated 5 January 2015.

The Extension of Loan Repayment Date

On 3 September 2014, Easy Prestige Limited ("**Easy Prestige**"), an indirect wholly-owned subsidiary of the Company, entered into a supplemental agreement with Mr. Yang Dongjun ("**Mr. Yang**"), a third party independent of the Company and its connected persons (as defined in the Listing Rules), pursuant to which Easy Prestige agreed to extend the repayment date to 31 December 2014 under the previous loan agreement in relation to an advance amounted to HK$58,000,000 (the "**Loan**") and adjust the interest rate to 1% per month in consideration for the right to forfeit and cancel the convertible bonds issued by the Company to Mr. Yang in case of any default in payment.

On 8 January 2015, Easy Prestige, Mr. Yang and Dingyi Financial Services Investment Limited ("**DY Financial Services**") entered into a second supplemental agreement, pursuant to which Easy Prestige had assigned the Loan to DY Financial Services and agreed to extend the loan repayment date from 31 December 2014 to 30 June 2015. Save and except the above change in the lender and the extension of the loan repayment date, all other terms and provisions of the previous loan agreement and first supplemental agreement shall remain unchanged and in full force and effect.

During the period, the Loan has been repaid.

Details of the transactions were disclosed in the announcements of the Company dated 21 August 2014, 3 September 2014 and 8 January 2015 and the circular of the Company dated 5 January 2015.

Connected transaction – Proposed Issue of Convertible Bonds under Specific Mandate

On 28 June 2013, after trading hours, Wincon Capital Investment Limited ("**Wincon**"), the controlling shareholder (as defined in the Listing Rules) of the Company, as the subscriber and the Company as issuer entered into a subscription agreement (the "**Wincon Subscription Agreement**") in respect of the issue of and subscription for the convertible bonds in the aggregate principal amount not exceeding HK$620,000,000 at an initial conversion price of HK$0.33 per conversion share and the warrants in the aggregate principal amount of HK$155,000,000 at an exercise price of HK$0.35 per warrant share, respectively (the "**Proposed Issue of the New Wincon Convertible Bonds**"). On 12 December 2014, Wincon had confirmed to the Company in writing that it would not exercise or transfer any of the warrants which may be issued pursuant to the Wincon Subscription Agreement if such warrants are issued to it, and it would not pursue any action against the Company for damages or other remedies if the Company does not issue such warrants to it. In view of such written confirmation provided by Wincon, the Company would not seek to issue the warrants as contemplated under the Wincon Subscription Agreement. The Wincon Subscription Agreement and the transactions contemplated thereunder, including the allotment and issue of the conversion shares under a specific mandate of the Company, were approved by the Independent Shareholders at the special general meeting of the Company held on 31 December 2014.

The estimated net proceeds of the issue of the convertible bonds (after deducting the fees and expenses) will be approximately HK$619.5 million. The total net proceeds are originally intended to be used for funding the partial payment of the proposed offer or other possible further investments. Although the proposed offer subsequently lapsed on 31 March 2014 and it might no longer be necessary for Wincon to maintain its status as the controlling shareholder following the lapse of the another proposed issue of the convertible bonds and the warrants, as the Shares have been suspended for trading since 2 July 2014, it is difficult for the Company to raise such substantial fund from third party investors through placing or issue of convertible notes without a prevailing trading price for pricing reference. As Wincon is still willing to inject such a substantial funding to the Company, the Directors consider that it is in the interests of the Company and the Shareholders to capture this funding so as to fuel the future development of the Group.

The estimated net proceeds of the Proposed Issue of the New Wincon Convertible Bonds (after deducting the fees and expenses) will be approximately HK$619.5 million, which are intended to be used as to approximately HK$472.5 million for funding the new financing and financial leasing business of the Group, as to approximately HK$60 million for the acquisition of further Elemental Shares and as to HK$87 million for other possible future investments.

On 8 January 2015, the convertible bonds in the principal amount of HK$20,000,000 was subscribed by Wincon.

On 8 January 2015, the Company and Wincon entered into a letter of extension to extend the closing date from 8 January 2015 to 8 July 2015 (or such later date as parties thereto may agree) (the "**New Closing Date**"). The remaining convertible bonds in the principal amount of HK$600,000,000 as contemplated under the Subscription Agreement will be subscribed by Wincon on or before the New Closing Date.

Pursuant to an ordinary resolution passed by the Independent Shareholders at the special general meeting held on 19 March 2015, the closing date was extended to 8 July 2015.

During the period, the net proceeds from the issue of the convertible bonds are approximately HK$600 million, in which approximately HK$215 million was used to finance the financing business of the Group, approximately HK$40 million was used for the acquisition of further Elemental Shares and the remaining proceeds was invested in the held for trading investments. The Directors confirmed that the net proceeds from the issue of the convertible bonds have been applied in accordance with its intended uses.

On 7 May 2015, 60,606,060 Shares has been converted by Wincon.

On 8 June 2015, the convertible bonds in the principal amount of HK$30,000,000 was subscribed by Wincon and on 9 June 2015, 90,909,090 Shares has been converted by Wincon.

On 16 June 2015, the convertible bonds in the principal amount of HK$35,000,000 was subscribed by Wincon and on 17 June 2015, 90,909,090 Shares has been converted by Wincon.

On 23 June 2015, the convertible bonds in the principal amount of HK$35,000,000 was subscribed by Wincon and on 24 June 2015, 121,212,121 Shares has been converted by Wincon.

On 25 June 2015, the convertible bonds in the principal amount of HK$60,000,000 was subscribed by Wincon.

On 30 June 2015, the convertible bonds in the principal amount of HK$20,000,000 was subscribed by Wincon.

On 2 July 2015, the convertible bonds in the principal amount of HK$20,000,000 was subscribed by Wincon.

On 3 July 2015, the convertible bonds in the principal amount of HK$50,000,000 was subscribed by Wincon.

On 6 July 2015, the convertible bonds in the principal amount of HK$70,000,000 was subscribed by Wincon.

On 7 July 2015, the convertible bonds in the principal amount of HK$120,000,000 was subscribed by Wincon.

On 8 July 2015, the convertible bonds in the principal amount of HK$160,000,000 was subscribed by Wincon.

On 13 July 2015, 515,151,515 Shares has been converted by Wincon.

Details of the Proposed Issue of the New Wincon Convertible Bonds were disclosed in the announcements of the Company dated 28 June 2013, 19 July 2013, 30 August 2013, 30 September 2013, 14 November 2013, 31 December 2013, 28 February 2014, 24 April 2014, 30 April 2014, 30 June 2014, 30 September 2014, 31 December 2014, 8 January 2015, 16 January 2015, 19 March 2015, 8 June 2015, 16 June 2015, 23 June 2015, 25 June 2015, 30 June 2015, 3 July 2015, 6 July 2015, 7 July 2015, 9 July 2015 and 13 July 2015 respectively and the circulars of the Company dated 15 December 2014 and 2 March 2015 respectively.

Exercise of Share Options

The share option scheme adopted by the Company on 21 September 2012 (the "**Share Option Scheme**").

On 30 March 2015, a total of 2,000,000 share options were exercised at an exercise price of HK$0.375 per share and the shares were issued on 1 April 2015.

On 4 June 2015, a total of 1,800,000 share options were exercised at an exercise price of HK$0.375 per share and the shares were issued on 9 June 2015.

On 18 June 2015, a total of 15,000,000 share options were exercised at an exercise price of HK$0.477 per share and the shares were issued on 18 June 2015.

Issue of Conversion Shares

On 22 June 2015, the Company received a conversion notice from a subscriber for the conversion of the convertible bonds at the conversion price of HK$0.22 per conversion share, which were issued on 28 March 2013, in the aggregate amount of HK$30 million in full, pursuant to which a total number of 136,363,636 conversion shares has been issued to that subscriber.

On 23 June 2015, the Company received a conversion notice from a subscriber for the conversion of the convertible bonds at the conversion price of HK$0.22 per conversion share, which were issued on 28 March 2013, in the aggregate amount of HK$20 million in full, pursuant to which a total number of 90,909,090 conversion shares has been issued to that subscriber.

On 25 June 2015, the Company received a conversion notice from a subscriber for the conversion of the convertible bonds at the conversion price of HK$0.22 per conversion share, which were issued on 31 May 2013, in the aggregate amount of HK$50 million in full, pursuant to which a total number of 227,272,727 conversion shares has been issued to that subscriber.

Details of the transaction were disclosed in the announcements of the Company dated 12 October 2012, 17 October 2012, 20 November 2012, 31 December 2012, 31 January 2013, 28 March 2013, 31 May 2013 and 25 June 2015 and the circular of the Company dated 2 November 2012.

Major Transaction – Participation in Cooperation Agreement

On 25 September 2015, 鼎億金匯(深圳)投資諮詢有限公司 ("**Dingyi Jinhui**"), an indirect wholly-owned subsidiary of the Company, entered into a cooperation agreement ("**Cooperation Agreement**") committing to provide 38% funding for the acquisition ("**Xibu Yungu's Acquisition**") by a joint venture company, 深圳市西部雲谷投資有限責任公司 ("**Xibu Yungu**"), and the acquisition ("**Xumao Ventures' Further Acquisition**") by Xumao Ventures Limited ("**Xumao Ventures**"), as a nominee of Xibu Yungu. Xibu Yungu then entered into an acquisition agreement to acquire 80% equity interest in 金時代投資顧問(深圳)有限公司 ("**Jinshidai**") and related shareholders' loans from the vendors of Jinshidai, whereas Xumao Ventures entered into a sale and purchase agreement to acquire 100% equity interest in Think Right Developments Limited. The Cooperation Agreement was entered into to provide cash funding for the total acquisition consideration of RMB1,060,800,000 for Xibu Yungu's Acquisition and Xumao Ventures' Further Acquisition. The Group will provide its portion (i.e. Dingyi Jinhui's 38%) of the funding by its internal resources and/or through other financing methods. The Cooperation agreement has provided that the maximum commitment by Dingyi Jinhui towards the Acquisitions is capped at RMB403,104,000.

Pursuant to the Listing Rules, the Group's participation in the Cooperation Agreement constitutes a major transaction of the Company under Rule 14.06(3) of the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements. As no Shareholder has any interest in the agreements, none of the Shareholders is required to abstain from voting if the Company was to convene a general meeting for approving the major transaction contemplated under the Cooperation Agreement. In addition, the Company has obtained written approval from its controlling shareholder Wincon which holds more than 50% in nominal value of the Shares giving the right to attend and vote at a general meeting to approve the transaction. Accordingly, all the conditions as set out in Rule 14.44 of the Listing Rules are met by the Company and, therefore, the Company shall not be required to hold a special general meeting for the Shareholders' approval of the transaction.

A circular containing, among other things, details about the transaction is expected to be despatched to the Shareholders on or before 30 November 2015.

Details of the transaction were disclosed in the announcements of the Company dated 25 September 2015, 29 September 2015, 2 October 2015 and 9 October 2015.

EVENTS AFTER REPORTING PERIOD

Subsequent to the balance sheet date, the Company repurchased and cancelled 4,990,000 and 94,020,000 ordinary shares respectively.

Strategy and Outlook

Apart from the existing businesses of securities trading, food and beverages, wine trading, loan financing, metal trading and financial leasing, the Group will continue to explore other potential investment opportunities with reasonable returns that meet the Company's criteria. This will not only strengthen our core business but also increase the Company's owners' values. The Group has been exploring a few investment opportunities in mining projects, resources projects, properties development projects and infrastructure development projects.

Shareholders' Equity and Financial Ratios

As at 30 September 2015, the Group's net assets attributable to the owners of the Company amounted to HK$602 million (31 March 2015: net liabilities of HK$284 million), an increase of HK$886 million. Such increase was mainly due to the issue and exercise of convertible bonds during the period.

As at 30 September 2015, total debt to equity ratio was 0.38 (31 March 2015: (0.38)) and net debt to equity ratio was 0.16 (31 March 2015: nil) which were expressed as a percentage of total convertible bonds and finance lease obligations and net convertible bonds and finance lease obligations respectively, over the total equity (net liabilities) of HK$673 million (31 March 2015: net liabilities of HK$214 million).

During the period, the Company repurchased 138,565,000 Shares for a total consideration (including expenses) of HK$91 million.

Borrowings

As at 30 September 2015, the Group's finance lease obligations amounted to HK$2.1 million, of which most of them was repayable within one year. The finance lease obligations are denominated in Hong Kong dollars and subject to fixed interest rate (31 March 2015: HK$2.8 million). Cash and deposits at bank amounted to HK$142 million (31 March 2015: HK$194 million).

Foreign Exchange Exposure

Most of the Group's assets are denominated in HKD, RMB, USD and AUD. Considering the exchange rate between these currencies is relatively stable, the Group believed that the corresponding exposure to RMB, USD and AUD exchange rate fluctuation was relatively limited. The Group does not undertake any derivative financial instruments or hedging instruments. The Group will constantly review the economic situation and its foreign currency risk profile, continues to actively monitor foreign exchange exposure to minimize the impact of any adverse currency movement.

Treasury Policies

The Group adopts conservative treasury policies in cash and financial management. To achieve better risk control and minimise cost of funds, the Group's treasury activities are centralised. Cash is generally placed in short-term deposits mostly denominated in Hong Kong dollars or US dollars or Renminbi or Australian dollars. The Group's liquidity and financing requirements are frequently reviewed. In anticipating new investments, the Group will consider new financing while maintaining an appropriate level of gearing.

Contingent Liabilities

As at 30 September 2015, the Group had no contingent liabilities.

Capital Commitment

As at 30 September 2015, the Group had no capital commitments.

Charges on the Group's Assets

As at 30 September 2015, the Group had pledged its asset with net book value of HK$3.4 million (31 March 2015: HK$4.0 million) to secure finance lease obligations.

INTERIM DIVIDEND

The Board has resolved not to recommend any interim dividend for the six months ended 30 September 2015 (2014: nil).

EMPLOYEES AND REMUNERATION POLICIES

The Group employed 43 full-time staffs under its subsidiaries as at 30 September 2015. Total staff costs amounted to HK$6,103,000 for the period under review. The remuneration policies are reviewed periodically on the basis of the nature of job, market trend, company performance and individual performance. Other staff benefits include bonuses awarded on a discretionary basis, medical schemes, retirement schemes and the share option scheme of the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the period under review, the Company repurchased a total of 138,565,000 shares of the Company on the Stock Exchange at an aggregate consideration of HK$90,681,382, of which 49,535,000 shares were cancelled during the six months ended 30 September 2015. Sequently, the Company repurchased a total of 4,990,000 shares of the Company on the Stock Exchange at an aggregate consideration of HK$3,891,888. On 26 October 2015, a total of 94,020,000 shares of the Company were cancelled.

Particulars of the shares repurchased are as follows:

Month	Total number of shares repurchased	Purchase price paid per share		Aggregate consideration
		Highest	Lowest	
		HK$	*HK$*	*HK$*
July 2015	51,335,000	0.79	0.55	34,791,965
August 2015	49,225,000	0.79	0.51	30,869,243
September 2015	38,005,000	0.69	0.62	25,020,174
	138,565,000			90,681,382

The Directors consider that the above share repurchases are in the best interest of the Company and its shareholders and that such repurchases would lead to an enhancement of the earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 September 2015.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the "**Model Code**") as its code of conduct for securities transactions by Directors during the period. The Company has made specific enquiries to all the Directors and they have confirmed they have complied with the required standard set out in the Model Code throughout the six months ended 30 September 2015.

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Listing Rules throughout the six months ended 30 September 2015, save as disclosed below.

1. Code provision A.5.1 of the CG Code requires the nomination committee of limited issuers to comprise a majority of independent non-executive directors. Subsequent to the resignation of Mr. Sun Dongsheng ("**Mr. Sun**") on 30 April 2015, the nomination committee of the Company did not comprise a majority of Independent Non-executive Directors.

   Rule 3.10(1) of the Listing Rules provides that every board of directors of a listed issuer must include at least three independent non-executive directors. Moreover, Rule 3.21 of the Listing Rules provides that the audit committee of a listed issuer must comprise a minimum of three members. Further, Rule 3.25 of the Listing Rules provides that a listed issuer must establish a remuneration committee which comprises a majority of independent non-executive directors. Subsequent to the resignation of Mr. Sun on 30 April 2015, the number of Independent Non-executive Directors and the members of the audit committee of the Company (the "**Audit Committee**") fell below the minimum number required under Rules 3.10(1) and 3.21 of the Listing Rules and the required composition of the remuneration committee of the Company fell below the requirements under Rule 3.25 of the Listing Rules.

2. Code provision E.1.2 of the CG Code requires the chairman of the board should attend the annual general meeting. Mr. Li Kwong Yuk, the Chairman of the Company, was unable to attend the annual general meeting of the Company held on 30 September 2015 due to his other business engagements.

AUDIT COMMITTEE

During the period, the Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls, risk management systems of the Group and financial reporting matters including the review of the unaudited condensed consolidated financial statements for the six months ended 30 September 2015.

PUBLICATION OF INTERIM RESULTS ON THE WEBSITE OF THE STOCK EXCHANGE

The interim results announcement of the Company for the six months ended 30 September 2015 is published on the websites of the Stock Exchange and the Company at http://www.hkexnews.hk and http://www.dingyi.hk respectively. The interim report of the Company for the six months ended 30 September 2015 containing all applicable information required by the Listing Rules will be despatched to the Shareholders and published on the above websites on or before 31 December 2015.

APPRECIATION

I would like to take this opportunity to express our sincere appreciation of the support from our customers, suppliers and Shareholders. I would also like to thank my fellow Directors for their valuable contribution and the staff members of the Group for their commitment and dedicated services throughout the period under review.

By order of the Board
DINGYI GROUP INVESTMENT LIMITED
Li Kwong Yuk
Chairman and Executive Director

Hong Kong, 10 November 2015

As at the date of this announcement, the Board comprises Mr. LI Kwong Yuk (Chairman), Mr. SU Xiaonong (Chief Executive Officer) and Mr. CHEUNG Sze Ming as Executive Directors; and Mr. CHOW Shiu Ki and Mr. CAO Kuangyu as Independent Non-executive Directors.