COL Capital Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

ANNOUNCEMENT OF AUDITED RESULTS FOR THE YEAR ENDED 30 JUNE 2013

The Board of Directors (the "Directors") of COL Capital Limited (the "Company") announces that the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 30 June 2013 together with comparative figures for the year ended 30 June 2012 (as restated) are as follows:–

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2013

	NOTES	**2013** *HK$'000*	2012 *HK$'000* (restated)
Revenue	*2*	**635,911**	46,700
Gross proceeds from sale of investments held for trading		**662,420**	491,734
Total		**1,298,331**	538,434
Revenue	*2*	**635,911**	46,700
Cost of goods and services		**(572,949)**	–
Gross profit		**62,962**	46,700
Other gains and losses	*4*	**(13,293)**	(215,061)
Other income	*5*	**18,401**	21,697
Selling and distribution expenses		**(3,554)**	–
Administrative expenses		**(108,264)**	(47,225)
Finance costs		**(137,025)**	(67,227)
Other expenses		**(9,078)**	–
Impairment loss recognised on interests in associates		**–**	(245,549)
Share of losses of associates		**(624,814)**	(44,158)

	NOTES	2013 HK$'000	2012 HK$'000 (restated)
Loss before taxation		**(814,665)**	(550,823)
Taxation	*6*	**5,877**	(383)
Loss for the year	*7*	**(808,788)**	(551,206)
Loss for the year attributable to:			
Owners of the Company		**(780,719)**	(531,425)
Non-controlling interests		**(28,069)**	(19,781)
		(808,788)	(551,206)
Loss per share	*9*		
– Basic and diluted		**HK$(1.44)**	N/A
– Basic		**N/A**	HK$(0.97)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	2013 HK$'000	2012 HK$'000 (restated)
Loss for the year	**(808,788)**	(551,206)
Other comprehensive income (expense)		
Items that will be reclassified subsequently to profit or loss:		
Net gain (loss) on available-for-sale investments:		
Gain (loss) on fair value changes	**14,119**	(230,059)
Reclassification adjustments for the cumulative gain included in profit or loss upon disposal of available-for-sale investments	**(745)**	(5,978)
Reclassification adjustment upon impairment of available-for-sale investments	**–**	25,784
Share of changes in other comprehensive (expense) income of associates	**(5,424)**	3,061
	7,950	(207,192)
Exchange difference arising on translation:		
Exchange gain arising from translation of foreign operation	**7,673**	2,700
Share of changes in other comprehensive expense of associates	**(83,666)**	(31,706)
Reclassification adjustment – transfer translation reserve to profit or loss upon deemed disposal of an associate	**(18,634)**	–
	(94,627)	(29,006)
Items that will not be reclassified to profit or loss:		
Surplus on revaluation of leasehold land and buildings	**3,740**	1,750
Other comprehensive expense for the year	**(82,937)**	(234,448)
Total comprehensive expense for the year	**(891,725)**	(785,654)
Total comprehensive expense attributable to:		
Owners of the Company	**(865,632)**	(765,873)
Non-controlling interests	**(26,093)**	(19,781)
	(891,725)	(785,654)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2013

	NOTES	**30.6.2013** **HK$'000**	30.6.2012 *HK$'000* (restated)	1.7.2011 *HK$'000* (restated)
Non-current assets				
Investment properties		**208,112**	159,227	142,266
Property, plant and equipment		**1,451,117**	6,751	4,994
Prepaid lease payments		**65,426**	–	–
Interests in associates		**273,037**	1,159,238	1,444,470
Available-for-sale investments		**126,819**	200,954	668,264
Intangible assets		**16,713**	–	–
Deposits for acquisition of property, plant and equipment		**22,980**	–	–
		2,164,204	1,526,170	2,259,994
Current assets				
Inventories		**16,496**	–	–
Properties under development for sale		**851,165**	–	–
Properties held for sale		**82,579**	–	–
Prepaid lease payments		**1,597**	–	–
Loan notes		**–**	–	56,692
Available-for-sale investments		**204,720**	39,085	3,247
Investments held for trading		**957,197**	1,123,202	1,295,369
Debtors, deposits and prepayments	*10*	**184,396**	131,926	229,263
Loans receivable		**103,761**	558,841	369,843
Taxation recoverable		**34,316**	4,997	4,157
Pledged bank deposits		**265,423**	7,801	12,959
Restricted bank deposits		**2,376**	–	–
Bank balances and cash		**309,509**	74,007	94,895
		3,013,535	1,939,859	2,066,425
Assets classified as held for sale		**107,578**	–	–
		3,121,113	1,939,859	2,066,425

	NOTES	30.6.2013 HK$'000	30.6.2012 HK$'000 (restated)	1.7.2011 HK$'000 (restated)
Current liabilities				
Creditors and accrued charges	*11*	**332,621**	19,108	21,899
Deposits received on sales of properties		**274,028**	–	–
Customers' deposits and receipts in advance		**27,798**	2,132	68,052
Consideration payable		**88,472**	–	–
Amount due to an associate		**8,060**	–	2,891
Borrowings – due within one year		**2,173,222**	1,505,104	1,470,792
Obligations under finance leases – due within one year		**43,743**	–	–
Derivative financial instruments		**44,656**	13,093	20,191
Taxation payable		**79,721**	79,646	80,049
		3,072,321	1,619,083	1,663,874
Net current assets		**48,792**	320,776	402,551
Total assets less current liabilities		**2,212,996**	1,846,946	2,662,545
Non-current liabilities				
Deferred tax liabilities		**111,609**	–	–
Borrowings – due after one year		**290,661**	–	–
Obligations under financial leases – due after one year		**72,789**	–	–
Bonds		**247,000**	–	–
		722,059	–	–
		1,490,937	1,846,946	2,662,545
Capital and reserves				
Share capital		**5,423**	5,445	5,563
Reserves		**977,736**	1,799,050	2,601,649
Equity attributable to owners of the Company		**983,159**	1,804,495	2,607,212
Non-controlling interests		**507,778**	42,451	55,333
Total equity		**1,490,937**	1,846,946	2,662,545

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

In the current year, the Group has applied the following new and revised Standards, Amendments and Interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

HKFRSs that become effective for the year

Amendments to HKAS 1	Presentation of items of other comprehensive income;
Amendments to HKAS 12	Deferred tax: Recovery of underlying assets; and

HKFRSs that have been early applied for the year

HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine
Amendments to HKAS 1	As part of the annual improvements to HKFRSs 2009-2011 cycle issued in 2012

Amendments to HKAS 1 Presentation of items of other comprehensive income

The amendments to HKAS 1 introduce new terminology for statement of comprehensive income and income statement. Upon application of the amendments to HKAS 1, the Group's statement of comprehensive income is renamed as statement of profit or loss and other comprehensive income and income statement is renamed as statement of profit or loss. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met.

Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

Amendments to HKAS 12 Deferred tax: recovery of underlying assets

Under the amendments to HKAS 12 "Deferred tax: recovery of underlying assets", investment properties that are measured using the fair value model in accordance with HKAS 40 "Investment property" are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances. The Group measures its investment properties using the fair value model. As a result of the application of the amendments to HKAS 12, the directors reviewed the Group's investment property portfolios and concluded that the Group's investment properties in Hong Kong and the People's Republic of China (the "PRC") are not held under a business model whose objective is to consume substantially all of the economic benefits embodies in the investment properties over time, and that the presumption set out in the amendments to HKAS 12 is not rebutted.

As a result of the application of the amendments to HKAS 12, the Group does not recognise any deferred taxes on changes in fair value of the investment properties in Hong Kong. Previously, the Group recognised deferred taxes on changes in fair value of investment properties in Hong Kong on the basis that the entire carrying amounts of the properties were recovered through use. The amendments to HKAS 12 have been applied retrospectively, resulting in the Group's deferred tax liabilities being decreased by HK$3,614,000 as at 30 June 2013, 30 June 2012 and 1 July 2011, respectively. At the same time, a corresponding amount of deferred tax assets recognised regarding the tax losses is adjusted. There is no impact to the results of the Group during the years ended 30 June 2013 and 2012, respectively.

As a result of the application of amendments to HKAS 12, the Group should recognise additional deferred tax in respect of those investment properties in the PRC and are subject to land appreciation tax and enterprise income tax on disposal of these investment properties. Previously, the Group did not recognise deferred tax relating to land appreciation tax on changes in fair value of those investment properties on the basis that the deferred tax was measured based on assumption that the carrying amounts of these properties would be recovered through use. In the opinion of the directors of the Company, there is no deferred tax impact in respect of the land appreciation tax on the fair value changes relating to investment properties in the PRC as at 30 June 2013, 30 June 2012 and 1 July 2011, respectively, as the fair value of those investment properties are recorded below the acquisition costs. Accordingly, there is no impact to the results of the Group during the years ended 30 June 2013 and 2012 respectively.

Early application of Amendments to HKAS 1 Presentation of financial statements (as a part of the Annual Improvement to HKFRSs 2009 – 2011 cycle issued in June 2012)

Various amendments to HKFRSs were issued in June 2012, the title of which is Annual Improvements to HKFRSs (2009 – 2011 Cycle). In current year, the Group has applied for the first time the amendments to HKAS 1 in advance of the effective date (annual periods beginning on or after 1 July 2013).

HKAS 1 requires an entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification to present a statement of financial position as at the beginning of the preceding period (third statement of financial position). The amendments to HKAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

In current year, the Group has applied amendments to HKAS 12 and early adopted HK(IFRIC) -INT 20, which resulted in a material effect on the information in consolidated statement of financial position as at 1 July 2011. In accordance with the amendments to HKAS 1, the Group has therefore presented a third statement of financial position as at 1 July 2011 without related notes.

Early application of HK(IFRIC) – INT 20 "Stripping costs in the production phase of a surface mine"

During the current year, one of the Group's associates has early adopted HK(IFRIC) – INT 20 as a result of early application of the interpretation by one of the associates' associate. HK(IFRIC) – INT 20 has no impact to other associates and group entities.

HK(IFRIC) – INT 20 applies to waste removal costs that are incurred in surface mining activity during the production phase of the mine ("production stripping costs"). Under the interpretation, the costs from this waste removal activity ("stripping") which provide improved access to ore is recognised as a non-current asset ("stripping activity asset") when certain criteria are met, whereas the costs of normal on-going operational stripping activities are accounted for in accordance with HKAS 2 "Inventories". The stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset and classified as tangible or intangible according to the nature of the existing asset of which it forms part.

Prior to the issuance of HK(IFRIC) – INT 20, the relevant entity impacted by this interpretation adopted a life-of-mine approach and deferred all costs attributable to waste stripping and recognised as an expense the amortisation of capitalised waste stripping costs over the remaining ore reserves of the relevant mine. Amortisation was provided on the units-of-production method, with separate calculations being made for each mineral resource. Estimated future capital and waste development costs to be incurred in accessing the reserves and measured resources were taken into account in determining amortisation charges. The units-of-production method resulted in an amortisation charge proportional to the depletion of the economically recoverable mineral resources (comprising proven and probable reserves).

The requirements in accordance with HK(IFRIC) – INT 20 differs from the previous policies in that only waste stripping costs which provide improved access to ore can be capitalised when certain criteria are met, and the capitalisation and amortisation of waste stripping costs is undertaken at the level of individual deposits or components thereof rather than on a whole-of-mine basis. In addition, specific transitional rules are provided to deal with any opening deferred stripping balances recognised under the previous accounting policies.

HK(IFRIC) – INT 20 has been applied prospectively to production stripping costs incurred on or after the beginning of the earliest period presented, which is 1 July 2011. At the relevant entity's level, any previously recognised asset balance that resulted from stripping activity undertaken during the production phase (predecessor stripping asset) is reclassified as a part of an existing asset to which the stripping activity related, to the extent that there remains an identifiable component of the orebody with which the predecessor stripping asset can be associated. Such balances are then amortised over the remaining expected useful life of the identified component of the orebody to which each predecessor stripping asset balance relates. If there is no identifiable component of the orebody to which the predecessor asset relates, it has been written off through opening retained earnings at the beginning of the earliest period presented, being 1 July 2011. Given the nature of the relevant entity's mining operations and the way the entity plans to mine the remaining components of the orebodies, it has been determined that part of the entity's predecessor stripping asset relates to components of the orebodies where the associated ore has already been extracted (Such early application has affected the amounts reported in the Group's consolidated financial statements (see the tables below)).

Summary of the effects

The effects of early application described above results and other comprehensive income for the year ended 30 June 2012 by line are as follows:

	2012
	HK$'000
Decrease in share of losses of associates	83,089
Decrease in impairment loss recognised on interests in associates	30,564
Decrease in losses for the year	113,653
Increase in share of exchange difference and other comprehensive income for the year	1,533

The effects of the above early application in accounting policy on the financial positions of the Group as at 1 July 2011 and 30 June 2012 are as follows:

	As at 1.7.2011 (originally stated) *HK$'000*	Adjustments *HK$'000*	As at 1.7.2011 (restated) *HK$'000*	**As at 30.6.2012 (originally stated)** ***HK$'000***	**Adjustments** ***HK$'000*** ***(note)***	**As at 30.6.2012 (restated)** ***HK$'000***
Interests in associates and total effect on net assets	1,559,656	(115,186)	1,444,470	**1,159,238**	**–**	**1,159,238**
Retained profits	1,501,446	(113,653)	1,387,793	**834,328**	**–**	**834,328**
Translation reserve	174,861	(1,533)	173,328	**144,322**	**–**	**144,322**
Total effects on equity	1,676,307	(115,186)	1,561,121	**978,650**	**–**	**978,650**

Note: The accumulated impact on adoption of HK(IFRIC) – Int 20 is decreasing the interests in associates of HK$30,564,000 as at 30 June 2012 while such effect is netted with the reversal of impairment loss recognised in respect of interests in an associate, APAC Resources Limited ("APAC"), of HK$30,564,000. Thus, there is no impact to the Group as at 30 June 2012.

The effects of the above early application in accounting policy on the Group's basic loss per share for the year ended 30 June 2012 are as follows:

	HK$
Figures before adjustments	(1.18)
Adjustments arising from change in the Group's accounting policy in relation to:	
– decrease in share of losses of associates	0.15
– decrease in impairment loss recognised on interests in associates	0.06
Figures after adjustments	(0.97)

The Group has not disclosed the relevant financial impacts for the year ended 30 June 2013 and as at 30 June 2013 resulting from the early application of HK(IFRIC) – INT 20, as the relevant associate has determined that it is not practicable to quantify such impact.

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

Amendments to HKFRSs	Annual improvements to HKFRSs 2009-2011 cycle except for amendments to HKAS 1[1]
Amendments to HKFRS 7	Disclosures – Offsetting financial assets and financial liabilities[1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures[3]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance[1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities[2]
HKFRS 9	Financial instruments[3]
HKFRS 10	Consolidated financial statements[1]
HKFRS 11	Joint arrangements[1]
HKFRS 12	Disclosure of interests in other entities[1]
HKFRS 13	Fair value measurement[1]
HKAS 19 (as revised in 2011)	Employee benefits[1]
HKAS 27 (as revised in 2011)	Separate financial statements[1]
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures[1]
Amendments to HKAS 32	Offsetting financial assets and financial liabilities[2]
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets[2]
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting[2]
HK(IFRIC) – INT 21	Levies[2]

[1] Effective for annual periods beginning on or after 1 January 2013.
[2] Effective for annual periods beginning on or after 1 January 2014.
[3] Effective for annual periods beginning on or after 1 January 2015.

2. REVENUE

	2013	2012
	HK$'000	*HK$'000*
Dividend income from listed investments	**14,596**	18,802
Interest income from loans receivable	**15,726**	24,569
Rental income	**3,882**	3,329
Hospital fees and charges	**393,058**	–
Revenue from sale of properties	**208,649**	–
	635,911	46,700

3. SEGMENT INFORMATION

Information regularly reviewed by the chief operating decision maker, represented by the executive directors of the Company, for the purpose of allocating resources to segments and assessing their performance focuses on the types of goods or services delivered or provided. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reporting segments of the Group.

The Group is organised into five operating and reportable segments as follows:

Securities trading and investments – trading of securities in Hong Kong and overseas markets.

Financial services – provision of financial services.

Property investment – leasing of residential and office properties.

Property development – developing and selling of properties and land in the People's Republic of China ("PRC").

Hospital – operation of hospitals in the PRC.

The property development and hospital businesses are new operating and reportable segments subsequent to the Group's acquisition of these new businesses through the acquisition of Extra Earn Holdings Limited ("Extra Earn") during the year ended 30 June 2013.

Segment revenues and results

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

For the year ended 30 June 2013

	Securities trading and investments *HK$'000*	Financial services *HK$'000*	Property investment *HK$'000*	Property development *HK$'000*	Hospital *HK$'000*	Consolidated *HK$'000*
Gross proceeds from sale of investments held for trading	662,420	–	–	–	–	662,420
Revenue	14,596	15,726	3,882	208,649	393,058	635,911
Segment (loss) profit	(189,014)	9,558	59,415	(825)	(40,464)	(161,330)
Share of losses of associates						(624,814)
Other income						7,858
Net foreign exchange gain						172
Central corporate expenses						(50,906)
Gain on partial disposal of associates						466
Gain on deemed disposal of an associate						34,794
Discount on acquisition of subsidiaries						27,541
Finance costs						(48,446)
Loss before taxation						(814,665)

For the year ended 30 June 2012 (restated)

	Securities trading and investments *HK$'000*	Financial services *HK$'000*	Property investment *HK$'000*	Consolidated *HK$'000*
Gross proceeds from sale of investments held for trading	491,734	–	–	491,734
Revenue	18,802	24,569	3,329	46,700
Segment (loss) profit	(293,461)	14,369	9,787	(269,305)
Share of losses of associates				(44,158)
Other income				1,572
Net foreign exchange loss				(221)
Central corporate expenses				(6,758)
Gain on partial disposal of associates				13,596
Impairment loss recognised on interests in associates				(245,549)
Loss before taxation				(550,823)

All of the segment revenue reported above is from external customers.

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment profit (loss) represents the profit earned/losses incurred by each segment without allocation of share of losses of associates, certain other income, certain net foreign exchange gain/loss, central corporate expenses, discount on acquisition of subsidiaries, gain on deemed disposal of associates, gain on partial disposal of associates and impairment loss recognised on interests in associates. This is the measure reported to the executive directors of the Company for the purpose of resource allocation and performance assessment.

Segment assets and liabilities

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

At 30 June 2013

	Securities trading and investments *HK$'000*	Financial services *HK$'000*	Property investment *HK$'000*	Property development *HK$'000*	Hospital *HK$'000*	Consolidated *HK$'000*
Segment assets	1,344,498	106,398	208,275	996,422	1,580,343	4,235,936
Interests in associates						273,037
Corporate assets						668,766
Assets classified as held for sale						107,578
Consolidated assets						5,285,317
Segment liabilities	1,214,100	70,307	948	719,362	657,413	2,662,130
Corporate liabilities						1,132,250
Consolidated liabilities						3,794,380

At 30 June 2012

	Securities trading and investments *HK$'000*	Financial services *HK$'000*	Property investment *HK$'000*	Consolidated *HK$'000* (restated)
Segment assets	1,504,856	564,429	159,556	2,228,841
Interests in associates				1,159,238
Corporate assets				77,950
Consolidated assets				3,466,029
Segment liabilities	1,457,324	151,260	931	1,609,515
Corporate liabilities				9,568
Consolidated liabilities				1,619,083

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

- all assets are allocated to operating and reportable segments other than certain property, plant and equipment, interests in associates, deposits and prepayments, taxation recoverable, assets classified as held for sale, pledged bank deposits and certain bank balances and cash.
- all liabilities are allocated to operating and reportable segments other than certain creditors and accrued charges, consideration payable, certain borrowings, deferred tax liabilities, taxation payable, amount due to an associate and bonds.

Other segment information

For the year ended 30 June 2013

	Securities trading and investments *HK$'000*	Financial services *HK$'000*	Property investment *HK$'000*	Property development *HK$'000*	Hospital *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Amounts charged (credited) included in the measure of segment results or segment assets							
Interest income (including interest income from loans receivable)	**(3,314)**	**(15,726)**	**–**	**–**	**–**	**(5,085)**	**(24,125)**
Finance costs	**66,530**	**5,528**	**–**	**–**	**16,521**	**48,446**	**137,025**
Depreciation of property, plant and equipment	**–**	**–**	**31**	**–**	**56,525**	**3,541**	**60,097**
Additions to property, plant and equipment	**–**	**–**	**–**	**–**	**134,155**	**6,062**	**140,217**
Additions to property, plant and equipment through acquisition of subsidiaries	**–**	**–**	**–**	**5,378**	**1,400,446**	**32,231**	**1,438,055**
Additions to prepaid lease payments through acquisition of subsidiaries	**–**	**–**	**–**	**–**	**66,142**	**61,204**	**127,346**
Additions to intangible assets through acquisition of subsidiaries	**–**	**–**	**–**	**–**	**16,816**	**–**	**16,816**

	Securities trading and investments HK$'000	Financial services HK$'000	Property investment HK$'000	Property development HK$'000	Hospital HK$'000	Unallocated HK$'000	Total HK$'000
Release of prepaid lease payments	–	–	–	–	783	741	1,524
Amortisation of intangible assets	–	–	–	–	619	–	619
Fair value changes on investment properties	–	–	(57,589)	–	–	–	(57,589)
Net foreign exchange (gain) loss	(2,856)	494	1	–	–	(172)	(2,533)
Loss in fair value change of investments held for trading	152,682	–	–	–	–	–	152,682
Gain in fair value change of derivative financial instruments	(16,645)	–	–	–	–	–	(16,645)
Net gain on disposal of available-for-sale investments	(745)	–	–	–	–	–	(745)
Gain on disposal of property, plant and equipment	–	–	–	–	(3,963)	–	(3,963)

For the year ended 30 June 2012

	Securities trading and investments HK$'000	Financial services HK$'000	Property investment HK$'000	Unallocated HK$'000	Total HK$'000
Amounts charged (credited) included in the measure of segment results or segment assets					
Interest income (including interest income from loans receivables)	(20,308)	(24,569)	–	–	(44,877)
Finance costs	58,202	9,025	–	–	67,227
Depreciation of property, plant and equipment	–	–	27	347	374
Additions to property, plant and equipment	–	–	–	392	392
Fair value changes on investment properties	–	–	(16,961)	–	(16,961)
Loss in fair value change of investments held for trading	252,205	–	–	–	252,205

	Securities trading and investments HK$'000	Financial services HK$'000	Property investment HK$'000	Unallocated HK$'000	Total HK$'000
Loss in fair value change of derivative financial instruments	(15,888)	–	–	–	(15,888)
Net gain on disposal of available-for-sale investments	(5,978)	–	–	–	(5,978)
Impairment loss recognised on available-for-sale investments	25,784	–	–	–	25,784
Net foreign exchange (gain) loss	(5,960)	(13)	81	221	(5,671)

Geographical information

The Group's securities trading and investments and financial services are mainly carried out in Hong Kong. Rental income from property investment is derived from Hong Kong and the PRC. The Group's operations in property development and hospital are located in PRC.

The Group's revenue from external customers and information about non-current assets by geographical location of the customers and assets (where the investment properties, property, plant and equipment, prepaid lease payments and deposits for acquisition for property, plant and equipment are located and where the associates are incorporated/listed) respectively are detailed below:

	Revenue from external customers		**Non-current assets**	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000* (restated)
Hong Kong	**31,595**	44,179	**435,103**	1,040,202
The PRC	**604,316**	2,521	**1,570,555**	255,442
The Philippines	**–**	–	**31,727**	29,572
	635,911	46,700	**2,037,385**	1,325,216

Note: Non-current assets excluded financial instruments.

Revenue from major products and services

The following is an analysis of the Group's revenue from its major products and services:

	2013	2012
	HK$'000	*HK$'000*
Revenue from medical and consultation services *(Note)*	**366,194**	–
Revenue from rendering health screening services	**26,864**	–
Revenue from rendering financial services	**15,726**	24,569
Revenue from rental services	**3,882**	3,329
Sales of residential properties in the PRC	**208,649**	–
	621,315	27,898

Note: Revenue from medical and consultation services includes sales of medicine and in-patient, out-patient and consultation services income from hospital operation. In the opinion of the Directors, it is time consuming and excessive costs to provided further analysis in respect of sales of medicines and different kind of service income of the hospital operation. Accordingly, no such information is included in the segment information.

Information about major customers

Revenues from customers of the corresponding year contributing over 10% of the total sales of the Group are as follows:

	2013	2012
	HK$'000	*HK$'000*
Customer A[1]	**–[2]**	5,785
Customer B[1]	**–[2]**	6,176

1 Revenue from financial services.

2 The corresponding revenue did not contributed over 10% of total sales of the Group.

4. OTHER GAINS AND LOSSES

	2013	2012
	HK$'000	*HK$'000*
Loss in fair value change of investments held for trading *(Note a)*	**(152,682)**	(252,205)
Gain in fair value change of derivative financial instruments *(Note b)*	**16,645**	15,888
Net gain on disposal of available-for-sale investments	**745**	5,978
Gain on partial disposal of associates	**466**	13,596
Impairment loss recognised on available-for-sale investments	**–**	(25,784)
Impairment loss recognised on other receivables	**(4,887)**	(5,566)
Fair value changes on investment properties	**57,589**	16,961
Net foreign exchange gain	**2,533**	5,671
Gain on deemed disposal of a subsidiary	**–**	10,346
Gain on deemed disposal of an associate	**34,794**	–
Discount on acquisition of subsidiaries	**27,541**	–
Gain on disposal of property, plant and equipment	**3,963**	–
Others	**–**	54
	(13,293)	(215,061)

Notes:

(a) Net realised gain of approximately HK$49,640,000 (2012: net realised loss of HK$63,689,000) on disposal of investments held for trading is included in change in fair value of investments held for trading.

(b) Net realised gain of approximately HK$61,301,000 (2012: net realised gain of HK$28,983,000) on derivative financial instruments is included in change in fair value of derivative financial instruments.

5. OTHER INCOME

	2013	2012
	HK$'000	*HK$'000*
Interest income from:		
– Loan notes	**–**	6,145
– Available-for-sale debt instruments	**3,314**	12,605
– Bank deposits	**5,085**	1,018
– Others	**–**	540
	8,399	20,308
Government grants	**7,229**	–
Others	**2,773**	1,389
	18,401	21,697

6. TAXATION CREDIT (CHARGE)

	2013	2012
	HK$'000	*HK$'000*
Current tax credit (charge):		
Underprovision of Hong Kong Profits Tax in previous years	**(2,934)**	–
Enterprise Income Tax in the PRC	**(1,340)**	(383)
Deferred tax credit	**10,151**	–
	5,877	(383)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years. No tax is arising in Hong Kong for the year ended 30 June 2013 since there is no assessable profit for the year. No tax is payable on the profit for year ended 30 June 2012 arising in Hong Kong since the assessable profit is wholly absorbed by tax losses brought forward.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

Pursuant to the relevant laws and regulations in the PRC, certain PRC subsidiaries of the Group are exempted from the PRC EIT for two years starting from their first profit-making year (i.e. 31 December 2008), followed by a 50% reduction for the next three years. The exemption is ended on 31 December 2012.

Under the Provisional Regulations on LAT implemented upon the issuance of the Provisional Regulations of the PRC on 27 January 1995, all gains arising from transfer of real estate property in the PRC effective from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including borrowings costs and all property development expenditures.

7. LOSS FOR THE YEAR

	2013	2012
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging (crediting):		
Auditor's remuneration	**1,400**	2,061
Depreciation of property, plant and equipment	**60,097**	374
Staff cost, inclusive of directors' emoluments	**154,311**	15,905
Gross rental income from properties	**(3,882)**	(3,329)
Less: Direct operating expenses that generated rental income	**741**	713
Direct operating expenses that did not generate rental income	**365**	453
Net rental income	**(2,776)**	(2,163)
Release of prepaid lease payments	**1,524**	–
Amortisation of intangible assets (included in cost of goods and services)	**619**	–
Cost of inventories recognised as an expense (included in cost of goods and services)	**175,331**	–
Cost of properties held for sale recognised as an expense (included in cost of goods and services)	**191,040**	–

8. DIVIDENDS

	2013	2012
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year:		
Final dividend for eighteen months ended 30 June 2011 of HK$0.04 per share	**–**	21,922

No dividend was proposed during the years ended 30 June 2013 and 2012, nor has any dividend been proposed since the end of the reporting period.

9. LOSS PER SHARE

The calculation of basic and diluted loss (2012: basic loss) per share attributable to the owners of the Company is based on the following data:

	2013	2012
	HK$'000	*HK$'000*
		(restated)
Loss for the purpose of basic and diluted loss (2012: basic loss) per share for the year attributable to owners of the Company	**(780,719)**	(531,425)
	Number of shares	**Number of shares**
Weighted average number of ordinary shares for the purposes of basic and diluted loss (2012: basic loss) per share	542,689,806	548,245,442

The computation of diluted loss per share for the year ended 30 June 2013 does not assume the exercise of share options granted by a subsidiary since such assumed exercised would decrease loss per share.

No diluted loss per share has been presented as there was no potential ordinary share outstanding for the year ended 30 June 2012.

10. DEBTORS, DEPOSITS AND PREPAYMENTS

	2013	2012
	HK$'000	*HK$'000*
Debtors from securities trading	**17,474**	5,727
Trade receivables arising from hospital operation	**40,323**	–
Deposits with and receivables from the financial institutions	**38,125**	97,754
Prepayments	**13,474**	–
Prepaid business taxes and other PRC taxes	**23,583**	–
Deposits paid to suppliers	**16,527**	–
Other debtors and deposits	**34,890**	28,445
	184,396	131,926

The settlement terms of debtors from securities trading are 2-3 days after trade date and they are aged within 2-3 days as at 30 June 2013 and 2012.

The customers of hospital operations are either settled by cash, credit card or medical insurance. For credit card payment, the banks will pay the Group usually 7 days after the trade date. The medical insurance companies will usually pay the Group 90 days after the trade date.

The following is an aged analysis of trade receivables from hospital operations presented based on the invoice date (approximate the trade date) at the end of the reporting period:

	2013	2012
	HK$'000	*HK$'000*
0 – 30 days	**19,912**	–
31 – 60 days	**12,197**	–
61 – 90 days	**8,214**	–
	40,323	–

11. CREDITORS AND ACCRUED CHARGES

	2013	2012
	HK$'000	*HK$'000*
Trade payables to construction contractors and of hospital operations	**167,791**	–
Creditors from securities trading	**40,862**	9,737
Accrued compensation for late delivery of properties held for sale	**9,902**	–
Accrued construction cost for properties under development for sale	**37,388**	–
Construction cost payable for hospital buildings classified as property, plant and equipment	**12,238**	–
Other creditors and accrued charges	**64,440**	9,371
	332,621	19,108

The settlement terms of creditors from securities trading are 2 – 3 days after trade date and they are aged within 2-3 days as at 30 June 2013 and 2012.

Trade payables of hospital operations principally comprise amounts outstanding for trade purchases. Trade payables to construction contractors comprise construction costs for properties under development for sale and other projects. The normal credit period taken for these trade payables is 30 – 60 days.

The following is an aged analysis of trade payables to construction contractors and of hospital operations presented based on the invoice date at the end of the reporting period:

	2013	2012
	HK$'000	*HK$'000*
0 – 30 days	**21,087**	–
31 – 60 days	**20,555**	–
61 – 90 days	**26,972**	–
91 – 365 days	**89,914**	–
Over 1 year but not exceeding 2 years	**–**	–
Over 2 years but not exceeding 5 years	**9,263**	–
	167,791	–

FINANCIAL RESULTS

For the year ended 30 June 2013, the Group recorded a total revenue of HK$1,298,331,000 (2012: HK$538,434,000) and a loss for the year attributable to shareholders of HK$780,719,000 (2012: restated HK$531,425,000). The loss was mainly due to the realized losses and mark-to-market unrealized losses from its investment portfolio of HK$189,014,000 (2012: HK$293,461,000) and an increase in the share of losses (net of profits) of its associates of HK$624,814,000 (2012: restated HK$44,158,000) caused by the downturn in the commodity and equity prices. In addition, administrative expenses and finance costs were higher after the acquisition of Jiatai Tongren (Lianyungang) Healthcare Investment Company Limited (嘉泰同仁（連雲港）醫療產業投資有限公司) ("Jiatai Tongren") in September 2012. The loss per share for the year ended 30 June 2013 was HK$1.44 (2012: restated HK$0.97).

The Group's net asset value per share as at 30 June 2013 was HK$1.81 (2012: HK$3.31).

DIVIDENDS

The Directors do not recommend the payment of final dividend for the year ended 30 June 2013 (2012: nil).

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "Annual General Meeting") is scheduled to be held on Thursday, 5 December 2013. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 3 December 2013 to Thursday, 5 December 2013, both dates inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 2 December 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

Securities Trading and Investments

The positive economic and financial environment seen towards the end of 2012 was adversely affected in the first half of 2013 by the growing unease over the weaker than expected recovery and growth in the developed markets and concerns over the economic slowdown in the emerging markets such as China and India, that has affected the commodities and relevant equities markets. Compounding such a reversal in market sentiment was the fear that the United States ("U.S.") Federal Reserve ("Fed") would start slowing the pace of its policy of monetary stimulus sooner than expected and this has caused the flight of capital, increased interest rate levels, and adversely affected the prices of shares, currencies and commodities as investors rushed to unwind trades and exit the financial markets.

The Group managed to realize part of its investment portfolio despite the weak and volatile market conditions and recorded a turnover of HK$677,016,000 (2012: HK$510,536,000) with a loss of HK$189,014,000 (2012: HK$293,461,000) for the year ended 30 June 2013, mostly due to the loss in fair value change of its trading portfolio of HK$152,682,000 (2012: HK$252,205,000) partially off-set by the gain in fair value change of derivative financial instruments of HK$16,645,000 (2012: HK$15,888,000). At the end of the 2013 financial year, the Group maintained a portfolio of available-for-sale investments of HK$331,539,000 (2012: HK$240,039,000) and a trading portfolio of HK$957,197,000 (2012: HK$1,123,202,000).

Money Lending

Although the Group's money lending business recorded a decreased interest income of HK$15,726,000 (2012: HK$24,569,000) due to a weak credit environment, a profit of HK$9,558,000 (2012: HK$14,369,000) was achieved during the year under review. As at 30 June 2013, the Group's loan portfolio was reduced to HK$103,761,000 (2012: HK$558,841,000).

Property Investments

The Group's investment properties located in Hong Kong and China registered an increased rental income of HK$3,882,000 (2012: HK$3,329,000) and a profit of HK$59,415,000 (2012: HK$9,787,000) for the year ended 30 June 2013, largely due to the gain from fair value changes on investment properties of HK$57,589,000 (2012: HK$16,961,000) as a result of the improved industrial property market in Hong Kong. As at 30 June 2013, the Group's investment properties portfolio amounted to HK$208,112,000 (2012: HK$159,227,000).

Hospital Operation

Upon the acquisition of an 19.34% interest in Extra Earn Holdings Limited ("Extra Earn"), the assets reorganization of Extra Earn and the subscription of equity interest in Jiatai Tongren in September 2012 and December 2012 respectively, the Company became directly interested in approximately 69.52% of the entire registered capital of Jiatai Tongren.

In March 2013, Jiatai Tongren entered into a cooperative agreement with Mr. Yu Zhen Kun ("Mr. Yu") to set up a joint venture in eye, ear, nose and throat specialty with an investment of RMB80 million. Jiatai Tongren has granted call options to Mr. Yu, exercisable upon fulfillment of certain performance targets. For the proposed joint venture, Jiatai Tongren will contribute RMB60 million for a 60% interest and Mr. Yu and his professional team will contribute RMB20 million for a 40% interest. Mr. Yu is a well-known ear, nose, throat, head and neck specialist in the PRC. The cooperative agreement will provide an invaluable opportunity to leverage on the medical expertise of Mr. Yu and strengthen Jiatai Tongren's medical and technical management team.

In May 2013, the Group reduced its interest in Jiatai Tongren to 60.52% with the disposal of a 9% interest for a consideration of RMB100 million. The Group considers the disposal as an opportunity to realize some gain from the partial realization of its investment, and to broaden and strengthen the investor base of Jiatai Tongren. Jiatai Tongren will continue to be a direct non wholly-owned subsidiary of the Company.

Jiatai Tongren, and through its PRC subsidiaries (collectively "Jiatai Tongren Group"), is engaged in the investment and management and operation of healthcare and hospital businesses, trading of medical equipment and related supplies, property investment and development and strategic investment. Jiatai Tongren's hospital ownership and operation consists of the Nanjing Tongren Hospital (南京同仁醫院) opened in 2007 with a capacity of 1,200 beds, and 969 medical staff and employees; the Kunming Tongren Hospital (昆明同仁醫院) opened in 2010 with a capacity of 500 beds, and 665 medical staff and employees; and Yunnan Xinxinhua Hospital (雲南新新華醫院) opened in 2004 with a capacity of 240 beds, and 372 medical staff and employees. All three are integrated hospitals offering a wide range of comprehensive clinical and healthcare services.

By leveraging on these operating integrated hospitals, Jiatai Tongren aims to provide specialized services including high-end obstetrics, oral cavity and otorhinolaryngology services and strives to combine medical and healthcare services with elderly care real estate business to capture the opportunities in the fast growing healthcare and elderly care services in the PRC. Jiatai Tongren entered the healthcare and elderly care industry early in 2003 and it is currently one of the few PRC private enterprises with various operating integrated hospitals, healthcare resources and reserve of lands, and is well positioned to realize its strategic objectives.

During the year under review, the Group's hospital operation contributed a turnover of HK$393,058,000, profit before depreciation and amortization of HK$16,680,000 but a loss of HK$40,464,000 due to high depreciation and amortization charges and the continued trend of increase in labour cost, especially medical and technical staff, in the PRC.

Property Development

Jiatai Tongren's property development business consists of the development of Phase 2 and 3 of Kangya Garden (康雅苑), located in the Jiangning Development Zone in Nanjing in the PRC. This development has a total gross floor area of approximately 125,400 sqm with construction expected to be completed in June 2013 and June 2015 respectively. The Group's property development business achieved a turnover of HK$208,649,000 and a loss of HK$825,000 during the second half of the year under review.

In March 2013, Jiatai Tongren entered into a sale and purchase agreement to dispose of the entire registered capital of Lianyungang Chengtai Property Limited ("Lianyungang Chengtai") for a consideration of RMB250 million. The sole asset of Lianyungang Chengtai are two pieces of vacant land with aggregate site area of 276 Mu in Lianyungang Economic and Technological Development Zone in the PRC. However, the purchaser failed to pay the deposit as prescribed in the agreement, and a notice of termination was issued on 14 April 2013.

PRINCIPAL ASSOCIATED COMPANIES

For the year ended 30 June 2013, the share of losses (net of profits) of associates of the Group, gain on partial disposal of associates, gain on deemed disposal of an associate and impairment loss recognized on the Group's interests in associates were HK$624,814,000 (2012: restated HK$44,158,000); HK$466,000 (2012: HK$13,596,000); HK$34,794,000 (2012: nil) and nil (2012: restated HK$245,549,000) respectively. As at 30 June 2013, the Group's investment in associates decreased to HK$273,037,000 (2012: HK$1,159,238,000).

Mabuhay Holdings Corporation ("MHC") – approximately 29.85% owned by the Group

For the year ended 30 June 2013, the Group recorded a gain of HK$466,000 (2012: HK$2,980,000) from the partial disposal of its interest in MHC and its shareholding in MHC has decreased to 29.85% from 30.42%. MHC is a company incorporated in the Philippines with its common shares listed on the Philippine Stock Exchange and is engaged in investment in securities, properties, and other investments in the Philippines. MHC's major asset is its approximately 37% interest in IRC Properties, Inc. ("IRC"), whose common shares are also listed on the Philippine Stock Exchange. IRC is principally engaged in real estate development with three real estate projects, inclusive of two low cost socialize housing projects under development and a condominium project (in design phase), in the Binangonan area of Rizal Province close to Metro-Manila in the Philippines. Further, IRC is currently pursuing negotiations with a key real estate industry player to develop a portion of its Binangonan property.

Extra Earn – approximately 38.67% owned by the Group

Extra Earn is an investment holding company and through its PRC subsidiaries is engaged in urban infrastructure development, property development, hospital ownership and operations, and other investments in the PRC. Immediately before the acquisition and assets reorganization of Extra Earn as mentioned in the sections "Hospital Operation" and "Property Development" under Review of Operations, Extra Earn's result and assets and liabilities had been equity accounted for in the consolidated financial statement of the Group.

Think Future Investments Limited ("Think Future") – 30% owned by the Group

For the financial year 2013, following the allotment and subscription of new shares of Think Future, the Group's shareholding in Think Future decreased to 30% from 33.33%. Think Future is an investment holding company and through its direct subsidiary, TIDE HOLDINGS (CHINA) LIMITED (formerly known as Tide Holdings (H.K.) Limited, "TIDE") and other indirect subsidiaries (collectively the "Think Future Group"), is engaged in property development and project management businesses in the PRC. Currently Think Future Group has a development project located in Zhu Jia Jiao County, Shanghai which is to be developed into a showcase project comprising health industry headquarters and base, offering healthcare services packages to the elderly.

In Jan 2013, TIDE entered into a strategic cooperation agreement with China Jiuhao Health Industry Corporation Limited (formerly known as Media China Corporation Limited), a company incorporated in Cayman Islands with its shares listed on The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange"), to develop businesses and projects related to the development of the healthcare industry in the PRC.

APAC Resources Limited ("APAC") – approximately 29.81% owned by the Group

During the year ended 30 June 2013, as a result of the acquisition in July 2012 of 130,000,000 additional shares of APAC and the share repurchase conducted by APAC, the Group's shareholding in APAC has increased to approximately 29.81% from 27.9%. APAC, a company incorporated in Bermuda with its shares listed on the Hong Kong Stock Exchange, is an established natural resources investment and commodities company with business activities comprising of primary strategic investment, resource investment and commodity business.

Its resource investment business is operated from Hong Kong, with the commodity business operating from Hong Kong and Shanghai. The commodity business is dominated by two offtake agreements with Mount Gibson Iron Limited ("MGX") and the shipments are sold on the spot market to steel mills and traders in China. APAC's two primary strategic investments are an approximately 27% interest in MGX and an approximately 24% interest in Metals X Limited ("MLX"), both with core assets and listings in Australia. MGX is a leading West Australian direct shipping ore ("DSO") hematite iron ore producer listed on the Australian Stock Exchange ("ASX"). MGX has three mines in production with an annual capacity of 10 million tonnes per annum of DSO. MLX is an Australian-based diversified resource group with a main focus on tin through its 50% interest in the tin producing Renison mine in Tasmania, nickel through its world-scale Wingellina nickel project, and gold through the Central Murchison gold project and the Rover gold and copper project. MLX also has an indirect exposure to copper and bauxite through its portfolio of strategic investments in Reed Resources Limited, Mongolian Resource Corporation, and Aziana Limited.

For the year under review, APAC recorded a revenue of HK$1,104,617,000 (2012: HK$1,050,205,000) and a loss attributable to shareholders of HK$2,079,687,000 (2012: restated HK$242,967,000). The significant loss has driven by an impairment provision of HK$2,111,359,000 against the carrying values of APAC's two principal listed associates. APAC's primary strategic investments reported an attributable profit of HK$347,152,000 (2012: restated HK$218,792,000), and resource investment portfolio posted a loss of HK$268,911,000 (2012: HK$296,401,000). APAC's commodity business achieved a profit of HK$16,556,000 (2012: HK$5,571,000).

FINANCIAL RESOURCES, BORROWINGS, CAPITAL STRUCTURE AND EXPOSURES TO FLUCTUATIONS IN EXCHANGE RATES

As at 30 June 2013, the Group's non-current assets of HK$2,164,204,000 (2012: HK$1,526,170,000) consisted of investment properties of HK$208,112,000 (2012: HK$159,227,000); property, plant and equipment of HK$1,451,117,000 (2012: HK$6,751,000); prepaid lease payments of HK$65,426,000 (2012: nil); interests in associates of HK$273,037,000 (2012: HK$1,159,238,000); available-for-sale investments of HK$126,819,000 (2012: HK$200,954,000); intangible assets of HK$16,713,000 (2012: nil) and deposits for acquisition of property, plant and equipment of HK$22,980,000 (2012: nil). These non-current assets are principally financed by shareholders' fund. As at 30 June 2013, the Group had net current assets of HK$48,792,000 (2012: HK$320,776,000) and current ratio of 1.02 times (2012: 1.20 times), calculated on the basis of the Group's current assets over current liabilities.

As at 30 June 2013, the total borrowings of the Group amounted to HK$2,710,883,000 (2012: HK$1,505,104,000) consisting of securities margin loans of HK$1,128,582,000 (2012: HK$1,340,196,000); unsecured term loan of HK$70,000,000 (2012: HK$150,000,000); secured term loan of nil (2012: HK$14,908,000); promissory note of HK$91,987,000 (2012: nil); secured bank borrowings of HK$624,669,000 (2012: nil); unsecured bank borrowings of HK$75,587,000 (2012: nil); unsecured other borrowings of HK$122,102,000 (2012: nil), bills payable of HK$350,956,000 (2012: nil) and bonds of HK$247,000,000 (2012: nil). Among the total borrowings, an amount of HK$220,661,000 (2012: nil) was with maturity over one year but not exceeding two years and an amount of HK$70,000,000 (2012: nil) was with maturity of over two years but not exceeding five years.

As at 30 June 2013, the Group's gearing ratio, calculated on the basis of the Group's net borrowings (after pledged bank deposits, restricted bank deposits and bank balances and cash) over total equity, was 143.1% (2012: 77.1%). The Group's gearing ratio would be adjusted to 65.2% (2012: 14.1%) with marketable securities inclusive of available-for-sale investments (under current assets) and investments held for trading deducted from the net borrowings.

Subsequent to the fiscal year end, Jiatai Tongren Group entered into a mutual guarantee agreement with China Huali Holdings Group Company Limited, a connected person of the Company, pursuant to which both parties agreed that should any party (inclusive of their subsidiaries) apply for a loan or loans from a bank or financial institution, and if the lender so requires, then the other party shall provide a corporate guarantee for the obligations of the borrower under the loan. The total loan amounts guaranteed by each party shall not exceed RMB300 million. A corporate guarantee from PRC corporations is commonly required as a security or additional security for financial transactions in the PRC to secure the obligations of the borrower and the mutual guarantee agreement would enable Jiatai Tongren Group to obtain loans from third party lenders in order to support its ordinary and usual course of business in the PRC.

During the year under review, the Group's assets, liabilities and transactions were mainly denominated in Hong Kong Dollar, Australian Dollar, Taiwan Dollar, Renminbi and Malaysian Ringgit. Because of the short term nature, the Group did not actively hedge risks arising from its Australian Dollar, Taiwan Dollars and Malaysian Ringgit denominated assets and transactions. The Group was not materially affected by its exposure to these currencies.

As at 30 June 2013, the Group had capital commitments contracted for but not provided of HK$1,735,000 (2012: nil).

As at 30 June 2013, the Group had no material contingent liabilities (2012: nil).

CHARGE ON GROUP ASSETS

As at 30 June 2013, the Group's investments held for trading of HK$916,835,000 (2012: HK$1,074,602,000); interests in associates of HK$248,261,000 (2012: HK$906,570,000); buildings (included in the property, plant and equipment) of HK$622,778,000 (2012: nil); available-for-sale investments of HK$231,892,000 (2012: HK$140,062,000); prepaid lease payments of HK$97,286,000 (2012: nil); properties under development for sale of HK$27,546,000 (2012: nil) and bank deposits of HK$265,423,000 (2012: HK$7,801,000) were pledged to banks and securities houses to secure credit facilities granted to the Group.

For the year ended 30 June 2013, the immediate holding company of Kunming Tongren Industrial and Kunming Tongren Hospital Company Limited, both non wholly-owned subsidiaries of the Group, pledged its equity interest in these two subsidiaries to banks for borrowings granted.

The Group's obligations under finance leases are secured by the Group's charge over the leased assets. As at 30 June 2013, the carrying amount of the Group's medical equipment includes an amount of HK$174,937,000 (2012: nil) in respect of assets held under finance leases.

EMPLOYEES

The Group's employees increased to 2,113 as at 30 June 2013 (2012: 16) following the acquisition of Jiatai Tongren in September 2012. The Group ensures that its employees are remunerated in line with market conditions and individual performance and the remuneration policies are reviewed on a regular basis.

POST BALANCE SHEET EVENTS

In June and July 2013, the Group realized part of its long term investments through on-market disposal of 80.9 million shares in Landing International Development Limited (formerly known as Greenfield Chemical Holdings Limited) for cash proceeds of approximately HK$38.3 million.

In August 2013, Jiatai Tongren Group entered into a sale and purchase agreement to dispose of its interest in Kunming Tongren Industrial Development Company Limited ("Kunming Tongren Industrial") for a consideration of RMB324.995 million. Upon the completion of the assets transfer and restructuring of receivables and liabilities, Kunming Tongren Industrial's remaining assets will consist of the elderly care use land, the nursery land together with the existing buildings and structures thereon, the right and income entitlement in the 204 fixed parking spaces (developed but unsold) in Dianchi Yinxiang Garden and the right in the 24 flats (developed but unsold) in Dianchi Yinxiang Garden, in Kunming City, Yunnan Province, the PRC. The Group considers that the disposal would provide the Company with the opportunity to realize gains from its investments and enable it to reallocate its financial resources to other core business activities.

In September 2013, Jiatai Tongren Group entered into an agreement with Huaying Land Group Company Limited, a connected person of the Company, to dispose of its entire shareholding of 65% of the entire registered capital of Dongying Tongren International Health Centre Investment Company Limited ("Dongying Tongren") for a consideration of RMB13 million. The sole investment of Dongying Tongren is the Dongying Tongren International Health Centre project in Dongying in the Shangdong Province of the PRC, which is still in the preliminary planning stage. The disposal will enable the Group to recuperate its initial capital contribution and continue to participate in the projects of Dongying Tongren through the provision of management and consulting services.

PROSPECTS

The more positive economic data from the U.S., the euro zone countries and Japan indicates a likely return to a more sustainable recovery. China appears to have recently averted a sharp slowdown in its economy after the re-introduction of policies to encourage investment and push through structural reforms. All this has provided some comfort to the market. However, mounting concerns over the Fed's imminent tapering of its monetary stimulus policy has already negatively affected the currencies and financial markets of the emerging nations. Uncertainties over the fragile economic conditions, the political in-fighting and paralysis with the consequential social unrest in the developed world, together with the geo-political unrest in the Middle East, and the slowdown in the emerging markets will continue to weigh on the global economy and financial markets.

In view of this, the Group has taken steps subsequent to the fiscal year end to strengthen its financial position and reallocate its capital and financial resources to other core businesses and to reduce its gearing level. As a value investor, the Group will continuously review and adjust its investment strategies and investment portfolio to the prevailing economic and investment environment to seek and identify grossly undervalued investment and business opportunities in China, Hong Kong and the Asia Pacific region.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the year, the Company repurchased a total of 2,196,000 ordinary shares in the capital of the Company on the Stock Exchange in the range from HK$0.90 to HK$1.18 per ordinary share for a total consideration of HK$2,398,800. The said shares were subsequently cancelled.

The issued share capital of the Company was accordingly reduced by the par value of the repurchased ordinary shares so cancelled. The above repurchases were effected by the Directors pursuant to the mandate from shareholders, with a view to benefit Shareholders as a whole in enhancing the net assets value and/or earnings per share of the Company.

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

CORPORATE GOVERNANCE

Throughout the year ended 30 June 2013, the Company has applied the principles and complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report. As listed out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the Company's code of conduct regarding Director's securities transactions. Having made specific enquiry with all Directors, they have confirmed their compliance with the required standard as set out in the Model Code throughout the year ended 30 June 2013.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and the financial statements for the year ended 30 June 2013.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 30 June 2013 as set out in this announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this announcement.

By Order of the Board
COL Capital Limited
Chong Sok Un
Chairman

Hong Kong, 25 September 2013

As at the date of this announcement, the Board comprises Ms. Chong Sok Un (Chairman), Dato' Wong Peng Chong and Mr. Kong Muk Yin as Executive Directors; and Mr. Lau Siu Ki, Mr. Ma Wah Yan and Mr. Zhang Jian as Independent Non-Executive Directors.