COL Capital Limited

(Incorporated in Bermuda with limited liability)

Stock Code: 383

Interim Report 2012

UNAUDITED RESULTS OF THE GROUP

The Board of Directors (the "Directors") of COL Capital Limited (the "Company") announces the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 31 December 2012 together with the comparative figures for the corresponding period in 2011 as follows:–

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	NOTES	Six months ended 31.12.2012 HK$'000 (unaudited)	31.12.2011 HK$'000 (unaudited) (restated)
Revenue		**168,061**	26,731
Gross proceeds from sales of investments held for trading		**402,454**	155,571
Total		**570,515**	182,302
Revenue	*3*	**168,061**	26,731
Cost of sales		**(132,436)**	–
Gross profit		**35,625**	26,731
Other gains and losses	*5*	**125,850**	(335,544)
Other income		**9,813**	15,271
Selling and distribution costs		**(2,800)**	–
Administrative expenses		**(56,737)**	(27,599)
Other expenses	*21*	**(752)**	–
Finance costs	*6*	**(61,483)**	(35,671)
Share of profits of associates		**13,099**	10,296
Profit (loss) before taxation		**62,615**	(346,516)
Taxation credit (charge)	*7*	**156**	(133)
Profit (loss) for the period	*8*	**62,771**	(346,649)
Profit (loss) for the period attributable to:			
Owners of the Company		**86,258**	(340,328)
Non-controlling interests		**(23,487)**	(6,321)
		62,771	(346,649)
Earnings (loss) per share			
– Basic and diluted	*10*	**HK$0.16**	HK$(0.62)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	Six months ended	
	31.12.2012	31.12.2011
	HK$'000	HK$'000
	(unaudited)	(unaudited)
		(restated)
Profit (loss) for the period	**62,771**	(346,649)
Other comprehensive income (expense)		
Items that will be reclassified subsequently to profit or loss:		
Net gain on available-for-sale investments:		
Loss on fair value changes	**(6,427)**	(225,997)
Reclassification adjustment upon disposal of available-for-sale investments	**(65)**	266
Reclassification adjustment upon impairment of available-for-sale investments	**–**	4,543
Share of changes in other comprehensive expense of associates	**(3,815)**	(711)
	(10,307)	(221,899)
Exchange differences arising on translation:		
Exchange gain arising from translation of foreign operation	**8,989**	2,423
Share of changes in other comprehensive income (expense) of associates	**14,003**	(30,342)
Reclassification adjustment – transfer translation reserve to profit or loss upon deemed disposal of an associate	**(18,634)**	–
	4,358	(27,919)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	Six months ended	
	31.12.2012	31.12.2011
	HK$'000	HK$'000
	(unaudited)	(unaudited)
		(restated)
Other comprehensive expense for the period	**(5,949)**	(249,818)
Total comprehensive income (expense) for the period	**56,822**	(596,467)
Total comprehensive income (expense) attributable to:		
Owners of the Company	**81,279**	(590,146)
Non-controlling interests	**(24,457)**	(6,321)
	56,822	(596,467)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2012

	NOTES	**31.12.2012 HK$'000 (unaudited)**	30.6.2012 HK$'000 (audited) (restated)
Non-current assets			
Investment properties	*11*	**159,227**	159,227
Property, plant and equipment	*11*	**1,476,893**	6,751
Prepaid lease payments	*11*	**123,307**	–
Interests in associates	*12*	**1,009,932**	1,159,238
Available-for-sale investments		**195,874**	200,954
Intangible assets	*13*	**15,552**	–
		2,980,785	1,526,170
Current assets			
Inventories		**16,496**	–
Properties under development for sale		**1,026,853**	–
Properties held for sale		**33,682**	–
Prepaid lease payments	*11*	**3,050**	–
Available-for-sale investments		**94,822**	39,085
Investments held for trading		**1,013,405**	1,123,202
Debtors, deposits and prepayments	*14*	**234,288**	131,926
Loans receivable		**103,761**	558,841
Taxation recoverable		**4,997**	4,997
Pledged bank deposits		**88,592**	7,801
Restricted bank deposits		**36,378**	–
Bank balances and cash		**526,122**	74,007
		3,182,446	1,939,859

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

AT 31 DECEMBER 2012

	NOTES	**31.12.2012 HK$'000 (unaudited)**	30.6.2012 HK$'000 (audited) (restated)
Current liabilities			
Creditors and accrued charges	*15*	**406,587**	19,108
Deposits received on sales of properties		**401,880**	–
Customers' deposits and receipts in advance		**25,467**	2,132
Consideration payable	*15*	**43,395**	–
Amount due to an associate		**8,060**	–
Borrowings – due within one year	*16*	**2,131,167**	1,505,104
Obligations under financial leases – due within one year		**31,196**	–
Derivative financial instruments	*17*	**–**	13,093
Taxation payable		**79,646**	79,646
		3,127,398	1,619,083
Net current assets		**55,048**	320,776
Total assets less current liabilities		**3,035,833**	1,846,946

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

AT 31 DECEMBER 2012

	NOTES	31.12.2012 HK$'000 (unaudited)	30.6.2012 HK$'000 (audited) (restated)
Non-current liabilities			
Deferred tax liabilities	18	119,576	–
Borrowings – due after one year	16	250,307	–
Obligations under financial leases – due after one year		60,651	–
Bonds	19	247,000	–
Consideration payable	15	43,397	–
		720,931	–
		2,314,902	1,846,946
Capital and reserves			
Share capital	20	5,426	5,445
Reserves		1,882,046	1,799,050
Equity attributable to owners of the Company		1,887,472	1,804,495
Non-controlling interests		427,430	42,451
Total equity		2,314,902	1,846,946

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	Attributable to the owners of the Company										
	Share capital HK$'000	Share premium HK$'000	Properties revaluation reserve HK$'000	Investment revaluation reserve HK$'000	Capital redemption reserve HK$'000	Other reserve HK'000	Translation reserve HK$'000	Retained profits HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 July 2011 (audited), as originally stated	5,563	701,183	9,510	327,647	2,188	–	174,861	1,501,446	2,722,398	55,333	2,777,731
Effect of early adoption in accounting policies	–	–	–	–	–	–	(1,533)	(113,653)	(115,186)	–	(115,186)
At 1 July 2011, as restated	5,563	701,183	9,510	327,647	2,188	–	173,328	1,387,793	2,607,212	55,333	2,662,545
Loss for the period	–	–	–	–	–	–	–	(340,328)	(340,328)	(6,321)	(346,649)
Other comprehensive expense for the period	–	–	–	(221,899)	–	–	(27,919)	–	(249,818)	–	(249,818)
Total comprehensive expense for the period	–	–	–	(221,899)	–	–	(27,919)	(340,328)	(590,146)	(6,321)	(596,467)
Repurchases of shares	(87)	(11,556)	–	–	87	–	–	(87)	(11,643)	–	(11,643)
Dividend paid	–	–	–	–	–	–	–	(21,922)	(21,922)	–	(21,922)
At 31 December 2011 (unaudited), as restated	5,476	689,627	9,510	105,748	2,275	–	145,409	1,025,456	1,983,501	49,012	2,032,513
At 1 July 2012 (audited)	5,445	686,379	11,260	120,455	2,306	–	144,322	834,328	1,804,495	42,451	1,846,946
Profit (loss) for the period	–	–	–	–	–	–	–	86,258	86,258	(23,487)	62,771
Other comprehensive (expense) income for the period	–	–	–	(10,307)	–	–	5,328	–	(4,979)	(970)	(5,949)
Total comprehensive (expense) income for the period	–	–	–	(10,307)	–	–	5,328	86,258	81,279	(24,457)	56,822
Acquisition of subsidiaries (note 21)	–	–	–	–	–	–	–	–	–	413,116	413,116
Share subscription	–	–	–	–	–	3,680	–	–	3,680	(3,680)	–
Repurchases of shares	(19)	(1,963)	–	–	19	–	–	(19)	(1,982)	–	(1,982)
At 31 December 2012 (unaudited)	5,426	684,416	11,260	110,148	2,325	3,680	149,650	920,567	1,887,472	427,430	2,314,902

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	NOTE	Six months ended 31.12.2012 HK$'000 (unaudited)	31.12.2011 HK$'000 (unaudited)
NET CASH FROM OPERATING ACTIVITIES		**494,218**	73,919
INVESTING ACTIVITIES			
Proceeds from disposal of loan notes		**–**	62,837
Proceeds from disposal of available-for-sale investments		**2,460**	12,297
Proceeds from partial disposal of associates		**–**	4,286
Acquisition of additional interest in an associate		**(39,140)**	(5,523)
Purchases of available-for-sale investments		**(55,096)**	(15,805)
Dividend received from associates		**–**	2,891
Withdrawal of pledged bank deposits and restricted bank deposits		**694,176**	274,994
Placement of pledged bank deposits and restricted bank deposits		**(531,465)**	(265,198)
Acquisition of subsidiaries	*21*	**131,908**	–
Acquisition of property, plant and equipment		**(46,691)**	–
Other investing activities		**2,196**	8,535
NET CASH FROM INVESTING ACTIVITIES		**158,348**	79,314
FINANCING ACTIVITIES			
New borrowings raised		**864,302**	434,274
Repayments of borrowings		**(1,302,930)**	(515,452)
Repurchases of shares		**(1,982)**	(11,643)
Repayments of obligations under finance leases		**(8,051)**	–
Proceeds of the issuance of bonds		**247,000**	–
Other financing activities		**–**	(2,891)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	Six months ended	
	31.12.2012	31.12.2011
	HK$'000	HK$'000
	(unaudited)	(unaudited)
NET CASH USED IN FINANCING ACTIVITIES	**(201,661)**	(95,712)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**450,905**	57,521
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	**74,007**	94,895
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE	**1,210**	2,423
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**526,122**	154,839

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 31 December 2012 are the same as those followed in the preparation of the consolidated financial statements of the Company and its subsidiaries (collectively known as the "Group") for the year ended 30 June 2012. In addition, the Group has applied the following accounting policies during the current interim period.

Business combinations

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Business combinations *(Continued)*

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Revenue recognition

Revenue from sale of properties and goods in the ordinary course of business is recognised when all of the following criteria are satisfied:

* the significant risks and rewards of ownership of the properties or goods are transferred to purchasers;
* neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the properties or goods are retained;
* the amount of revenue can be measured reliably;
* it is probable that the economic benefits associated with the transaction will flow to the Group; and
* the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Revenue recognition *(Continued)*

The above criteria are met when the construction of relevant properties has been completed, and the title of properties has been transferred or the properties have been delivered to the purchasers pursuant to the sales agreement whichever is earlier and the collectability of related receivables is reasonably assumed. Deposits and instalments received from purchasers on properties sold prior to meeting the above criteria on revenue recognition are included in the condensed consolidated statement of financial position under current liabilities.

Hospital fees and charges are recognised when services are provided.

Property, plant and equipment

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Buildings under development for future owner-occupied purpose

When buildings are in the course of development for production or for administrative purposes, the amortisation of prepaid lease payments provided during the construction period is included as part of costs of buildings under construction. Costs also include professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policies. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

Prepaid lease payments

Prepaid lease payments represent the prepaid lease payments of leasehold interests in land under operating lease arrangements and are amortised on a straight-line basis over the lease terms.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Leasing

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the condensed consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's policy on borrowing costs.

Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and initially recognised their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Impairment losses on intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Inventories

Inventories, which comprise drugs, other medical and general consumable for hospital operation, are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Properties under development for sale

Properties under development for sale are stated at lower of cost and net realisable value. Other than those acquired in a business combination which are initially recognised their fair value at the acquisition date (which is regarded as their cost), cost comprises both the land use rights and development cost of the property. Net realisable value takes into account the price ultimately expected to be realised, less applicable selling expenses and the anticipated costs to completion.

Development cost of property comprises construction costs, borrowing costs capitalised according to the Group's accounting policy and directly attributable cost incurred during the development period. On completion, the properties are transferred to properties held for sale.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value.

In the current interim period, the Group has applied, for the first time, the following amendments to the standards and interpretations issued by the HKICPA.

HKAS 1 (Amendments)	Presentation of items of other comprehensive income
HKAS 12 (Amendments)	Deferred tax: Recovery of underlying assets
HKFRS 7 (Amendments)	Financial instruments: Disclosures – Transfers of financial assets
HK(IFRIC) - Int 20	Stripping costs in the production phase of a surface mine

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

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. Under the amendments to HKAS 1, a statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and an income statement is renamed as a 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.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Amendments to HKAS 12 Deferred tax: recovery of underlying assets *(Continued)*

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 31 December 2012, 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 six months ended 31 December 2012 and 2011.

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 31 December 2012, 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 six months ended 31 December 2012 and 2011.

Early adoption of HK(IFRIC) - Int 20 "Stripping costs in the production phase of a surface mine"

During the current period, one of the Group's associates has early adopted the HK(IFRIC) - Int 20 "Stripping costs in the production phase of a surface mine". The early adoption of HK(IFRIC) - Int 20 has no impact on the other associates and group entities.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Early adoption of HK(IFRIC) - Int 20 "Stripping costs in the production phase of a surface mine" *(Continued)*

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 associate adopted a life-of-mine approach and deferred all costs attributable to waste stripping and recognised as an expense the amortization 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 amortization charges. The units-of-production method resulted in an amortization charge proportional to the depletion of the economically recoverable mineral resources (comprising proven and probably reserve).

The requirements in accordance with HK(IFRIC) - Int 20 differs from the associate's 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 amortization of waste stripping costs is undertaken at the level of individual deposits or components thereof rather than on a whole-for-mine basis. In addition, specific transitional rules are provided to deal with any opening deferred stripping balances recognised under the previous accounting policies.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Early adoption of HK(IFRIC) - Int 20 "Stripping costs in the production phase of a surface mine" *(Continued)*

HK(IFRIC) - Int 20 has been applied by the associate prospectively to production stripping costs incurred on or after the beginning of the earliest period presented, which is 1 July 2011. Such early adoption has affected the amounts reported in the Group's condensed consolidated financial statements (see the tables below). 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.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Early adoption of HK(IFRIC) - Int 20 "Stripping costs in the production phase of a surface mine" *(Continued)*

Given the nature of the associate's mining operations and the way the associate plans to mine the remaining components of the orebodies, it has been determined that part of the associate's predecessor stripping asset relates to components of the orebodies where the associated ore has already been extracted. Accordingly, an amount of HK$30,564,000 and HK$113,653,000 (net of tax) has been derecognised through the Group's accumulated profits as at 30 June 2012 and 1 July 2011, respectively with an increase in share of results of associates and profit of HK$4,927,000 (net of tax) for the period ended 31 December 2011.

Summary of the effects of the change in accounting policy

The effects of change in accounting policy described above results for the six months ended 31 December 2011 by line are as follows:

	HK$'000
Increase in share of profits of associates and profit for the period	4,927
Increase in share of exchange difference arising from translation of associates and other comprehensive income for the period	6,464

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Summary of the effects of the change in accounting policy *(Continued)*

The effects of the above change 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**
Accumulated profits	1,501,446	(113,653)	1,387,793	**834,328**	**–**	**834,328**
Exchange 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 reserval 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.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

Summary of the effects of the change in accounting policy *(Continued)*

The effects of the change in accounting policy and early adoption in accounting policies on the Group's basic and diluted loss per share for the six months ended 31 December 2011 are as follows:

	HK$
Figures before adjustments	(0.63)
Adjustments arising from change in the Group's accounting policy in relation to:	
– increase in share of profits of associates	0.01
Figures after adjustments	(0.62)

The application of the other new or revised standards, amendments and interpretation in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements.

3. REVENUE

	Six months ended 31.12.2012 HK$'000 (unaudited)	31.12.2011 HK$'000 (unaudited)
Dividend income from listed investments	**11,259**	10,196
Interest income from loans receivable	**8,525**	14,932
Rental income	**1,879**	1,603
Hospital fees and charges	**121,542**	–
Revenue from sales of properties	**24,856**	–
	168,061	26,731

4. SEGMENT INFORMATION

Segment information is presented based on the internal reports about components of the Group that are 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.

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

Securities trading and investments – trading of securities in Hong Kong and oversea markets.
Financial services – provision of financial services.
Property investment – leasing of residential properties and office spaces.
Property development – developing and selling of properties and land in the PRC.
Hospital – operations 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") (details of which are set out in note 21) during the six months ended 31 December 2012.

4. SEGMENT INFORMATION *(Continued)*

For the six months ended 31 December 2012

	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 sales of investments held for trading	402,454	–	–	–	–	402,454
Revenue	11,259	8,525	1,879	24,856	121,542	168,061
Segment profits (losses)	39,046	4,594	650	1,959	(21,122)	25,127
Other income						1,024
Gain on deemed disposal of an associate						34,794
Discount on acquisition of subsidiaries						27,541
Central corporate expenses						(16,422)
Share of profits of associates						13,099
Finance costs						(22,548)
Profit before taxation						62,615

4. SEGMENT INFORMATION *(Continued)*

For the six months ended 31 December 2011 (restated)

	Securities trading and investments HK$'000	Financial services HK$'000	Property investment HK$'000	Consolidated HK$'000 (restated)
Gross proceeds from sales of investments held for trading	155,571	–	–	155,571
Revenue	10,196	14,932	1,603	26,731
Segment (losses) profits	(353,079)	10,378	(13,742)	(356,443)
Other income				562
Gain on partial disposal of an associate				2,143
Central corporate expenses				(3,074)
Share of profits of associates				10,296
Loss before taxation				(346,516)

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

4. SEGMENT INFORMATION *(Continued)*

Segment profits or losses represents the profit or loss earned by each segment without allocation of certain interest income, gain on partial disposal of an associate, discount on acquisition of subsidiaries, gain on deemed disposal of an associate, central corporate expenses, share of profits of associates and certain finance costs. This is the measure reported to the Company's executive directors for the purpose of resource allocation and assessment of segment performance.

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

	31.12.2012 HK$'000 (unaudited)	30.6.2012 HK$'000 (audited) (restated)
Securities trading and investments	**1,482,310**	1,504,856
Financial services	**105,511**	564,429
Property investment	**159,714**	159,556
Property development and trading	**1,220,169**	–
Hospital	**1,551,455**	–
Total segment assets	**4,519,159**	2,228,841
Interests in associates	**1,009,932**	1,159,238
Corporate assets	**634,140**	77,950
Consolidated assets	**6,163,231**	3,466,029

5. OTHER GAINS AND LOSSES

	Six months ended 31.12.2012 HK$'000 (unaudited)	31.12.2011 HK$'000 (unaudited)
Change in fair value of investments held for trading	**32,736**	(341,183)
Change in fair value of derivative financial instruments	**29,735**	4,258
Net profit (loss) on disposal of available-for-sale investments	**65**	(266)
Impairment loss recognised on available-for-sale investments	**–**	(4,543)
Gain on partial disposal of an associate	**–**	2,143
Net foreign exchange gain	**979**	4,047
Gain on deemed disposal of an associate *(note 21)*	**34,794**	–
Discount on acquisition of subsidiaries *(note 21)*	**27,541**	–
	125,850	(335,544)

6. FINANCE COSTS

The finance costs represent interest on bank and other borrowings as follows:

	Six months ended 31.12.2012 HK$'000 (unaudited)	Six months ended 31.12.2011 HK$'000 (unaudited)
Interest on:		
Other borrowings wholly repayable within five years	**31,322**	35,671
Bank borrowings wholly repayable within five years	**21,639**	–
Bank borrowings wholly repayable after five years	**3,099**	–
Promissory note	**3,095**	–
Obligations under finance leases	**2,328**	–
	61,483	35,671

7. TAXATION CREDIT (CHARGE)

	Six months ended 31.12.2012 HK$'000 (unaudited)	Six months ended 31.12.2011 HK$'000 (unaudited)
The current tax comprises:		
Enterprise income tax in the PRC	**(290)**	(133)
Deferred tax credit *(note 18)*	**446**	–
	156	(133)

7. TAXATION *(Continued)*

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both periods.

Enterprise income tax in the PRC is calculated at 25% of estimated assessable profit for both periods.

8. PROFIT (LOSS) FOR THE PERIOD

	Six months ended	
	31.12.2012	31.12.2011
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Profit (loss) for the period has been arrived at after charging (crediting):		
Staff costs including directors' emoluments	**56,318**	12,277
Depreciation of property, plant and equipment	**18,918**	213
Release of prepaid lease payments	**2,485**	–
Amortisation of intangible assets	**1,264**	–
Interest income from:		
– loan notes	**–**	(6,145)
– available-for-sale debt instruments	**(1,265)**	(8,167)
– bank deposits and others	**(932)**	(706)
Cost of inventories recognised as an expense (included in cost of sales)	**54,193**	–
Cost of properties held for sale recognised as an expense (included in cost of sales)	**20,618**	–

9. DIVIDENDS

	Six months ended 31.12.2012 HK$'000 (unaudited)	Six months ended 31.12.2011 HK$'000 (unaudited)
Dividend recognised as distribution – final dividend for eighteen months ended 30 June 2011 of HK$0.04 per share	**–**	21,922

The directors do not recommend the payment of an interim dividend.

10. EARNINGS (LOSS) PER SHARE

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

	Six months ended 31.12.2012 HK$'000 (unaudited)	Six months ended 31.12.2011 HK$'000 (unaudited) (restated)
Earnings (loss) for the purpose of basic and diluted earnings (loss) per share attributable to owners of the Company	**86,258**	(340,328)
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purposes of basic and diluted earnings (loss) per share	**543,098,817**	550,248,253

11. MOVEMENTS IN INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT AND PREPAID LEASE PAYMENTS

During the six months ended 31 December 2012, there was no material addition in investment properties.

During the six months ended 31 December 2012, there was addition on property, plant and equipment of HK$1,472,155,000 of which HK$1,438,055,000 was purchased through acquisition of subsidiaries.

Prepaid lease payments are held under medium-term lease in the PRC through acquisition of subsidiaries and were purchased during the six months ended 31 December 2012.

There was no material addition in investment properties and property, plant and equipment during the six months ended 31 December 2011.

The Group's investment properties were fair valued and buildings subsequent to initial acquisition were revalued by the directors. At 31 December 2012, the directors considered that the carrying amounts of the investment properties and buildings included in property, plant and equipment carried at fair value or revalued amounts did not differ significantly from that which would be determined using fair values at the reporting date.

12. INTERESTS IN ASSOCIATES

	31.12.2012 HK$'000 (unaudited)	30.6.2012 HK$'000 (audited) (restated)
Cost of investments in associates		
Listed in the Philippines	**26,889**	26,889
Listed in Hong Kong	**973,467**	934,327
Unlisted	**117,442**	327,893
Share of post-acquisition profits and other comprehensive income, net of dividends received	**210,700**	188,695
Less: Impairment loss	**(318,566)**	(318,566)
	1,009,932	1,159,238

During the six months ended 31 December 2012, the Group entered into a sale and purchase agreement with a vendor to acquire 19.34% equity interest of Extra Earn at a consideration of HK$89,860,000. Upon completion of this acquisition, the Group has 58.01% equity interest in Extra Earn which has become a subsidiary of the Group. Accordingly, there is a deemed disposal of an associate during the six months ended 31 December 2012. Details of this transaction are set out in note 21.

During the six months ended 31 December 2012, the Group acquired 130,000,000 shares which represented equity interest of 1.91% of APAC at a consideration of approximately HK$39,140,000. After the acquisition, the Group's equity interest in APAC increased to 29.81% as at 31 December 2012.

13. INTANGIBLE ASSETS

As at 31 December 2012, the carrying amount of HK$15,552,000 represented the trademark of "Tongren" and is amortised on straight-line basis over 20 years starting from the acquisition date.

14. DEBTORS, DEPOSITS AND PREPAYMENTS

	31.12.2012 HK$'000 (unaudited)	30.6.2012 HK$'000 (audited)
Debtors from securities trading	**28,909**	5,727
Trade receivables arising from hospital operations	**43,036**	–
Deposits and receivables from the financial institutions	**61,133**	97,754
Prepayments	**16,901**	–
Prepaid business taxes and other PRC taxes	**27,650**	–
Amount due from a company owned by a director of a subsidiary	**15,283**	–
Other debtors and deposits	**41,376**	28,445
	234,288	131,926

The settlement terms of debtors from securities trading are 2-3 days after trade date.

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.

14. DEBTORS, DEPOSITS AND PREPAYMENTS *(Continued)*

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:

	31.12.2012	30.6.2012
	HK$'000	HK$'000
	(unaudited)	(audited)
0 – 30 days	**26,097**	–
31 – 60 days	**11,686**	–
61 – 90 days	**5,253**	–
	43,036	–

15. OTHER FINANCIAL LIABILITIES

Creditors and accrued charges

	31.12.2012	30.6.2012
	HK$'000	HK$'000
	(unaudited)	(audited)
Trade payables to construction contractors and of hospital operations	**252,849**	–
Creditors from securities trading	**28,208**	9,737
Accrued compensation for late delivery of properties held for sale	**10,905**	–
Accrued construction cost for properties under development for sale	**14,044**	–
Construction cost payable for hospital buildings classified as property, plant and equipment	**29,870**	–
Other creditors and accrued charges	**70,711**	9,371
	406,587	19,108

15. OTHER FINANCIAL LIABILITIES *(Continued)*

Creditors and accrued charges *(Continued)*

The settlement terms of creditors from securities trading are 2 – 3 days after trade date. Trade payables of hospital operations principally comprise amounts outstanding for trade purchases. Trade payables to construction contractors comprise construction costs and other project-related expenses. 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:

	31.12.2012 HK$'000 (unaudited)	30.6.0212 HK$'000 (audited)
0 – 30 days	**63,756**	–
31 – 60 days	**4,793**	–
61 – 90 days	**482**	–
91 – 365 days	**92,588**	–
Over one year but not exceeding two years	**19,994**	–
Over two years but not exceeding five years	**71,236**	–
	252,849	–

Consideration payable

Prior to the acquisition of Jiatai Tongren (as defined in note 21) in September 2012, Jiatai Tongren acquired additional 27.5% equity interests in 同仁醫療產業集團有限公司 Tongren Healthcare Industry Group Company Limited, an indirectly held subsidiary of Jiatai Tongren, from the non-controlling shareholders at a consideration of RMB110 million (equivalent to HK$136 million), of which RMB40 million (equivalent to HK$49.2 million) was settled by cash, in April 2012. The remaining consideration will be settled by two instalments – RMB35 million (equivalent to HK$43.4 million) by 31 March 2013 and RMB35 million (equivalent to HK$43.4 million) by 31 March 2014. The amount is unsecured and interest-free.

16. OTHER BORROWINGS

	31.12.2012	30.6.2012
	HK$'000	HK$'000
	(unaudited)	(audited)
Securities margin loans	**1,045,029**	1,340,196
Unsecured term loan	**70,000**	150,000
Secured term loan	**–**	14,908
Promissory note *(Note)*	**91,970**	–
Secured bank borrowings	**1,038,810**	–
Unsecured bank borrowings	**135,665**	–
	2,381,474	1,505,104
Carrying amount repayable:		
On demand or within one year	**2,131,167**	1,505,104
More than one year but less than two years	**91,970**	–
More than two years but less than five years	**158,337**	–
	2,381,474	1,505,104

Note: During the six months ended 31 December 2012, the Group acquired 19.34% equity interest of Extra Earn at a consideration of HK$89,860,000, which was satisfied by the Group issuing a promissory note to the vendor. The promissory note carries interest of 12% per annum and is repayable on or before 19 September 2013. In the opinion of the directors, the carrying amount of promissory note approximates its fair value at the date of issuance. On 30 November 2012, the maturity date of promissory note is agreed to be extended to 30 November 2014 and the promissory note is classified as non-current liabilities in the condensed consolidated statement of financial position.

The securities margin loans, secured term loan and secured bank borrowings are secured by the Group's assets as disclosed in note 22.

17. DERIVATIVE FINANCIAL INSTRUMENTS

The derivative financial instruments comprise gross-settled option contracts linked with equity securities listed in Hong Kong and the United States of America, and option contracts linked with exchange rate between Australian dollars and United States dollars for a period of one year. The fair value of derivative financial instruments is quoted by counterparties and determined based on valuation techniques that incorporate market observable data.

18. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities recognised and movements thereon during the period.

	Fair value adjustment on business combination HK$'000	Revaluation of properties HK$'000	Tax losses HK$'000	Total HK$'000
At 1 July 2012, as originally stated	–	3,614	(3,614)	–
Effect in change in accounting policies	–	(3,614)	3,614	–
At 1 July 2012, as restated	–	–	–	–
Acquisition of subsidiaries *(note 21)*	119,271	–	–	119,271
Credit to profit or loss for the period	(446)	–	–	(446)
Exchange difference	751	–	–	751
At 31 December 2012	119,576	–	–	119,576

19. BONDS

During the six months ended 31 December 2012, the Company issued unsecured bonds in an aggregated amount of approximately HK$247 million with maturity of two years. The bonds carry fixed rate interest ranging from 6% to 8% per annum and interest payable in arrears half yearly. Pursuant to the agreements, the holders have no right to redeem the bonds before the maturity date unless the events of default set out in the agreements occurred while the Company, at its option, can redeem the bonds at any time before the maturity date by giving not less than seven days' prior written notice to the holders. As there was no event of default occurred and the directors of the Company have no intention to redeem the bonds before the maturity date, the bonds are classified as non-current liabilities in the condensed consolidated statement of financial position.

20. SHARE CAPITAL

	Number of shares	Share capital HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 31 December 2012 and 30 June 2012	30,000,000,000	300,000
Issued and fully paid:		
At 1 July 2012	544,458,697	5,445
Repurchase of shares	(1,812,000)	(19)
At 31 December 2012	542,646,697	5,426

20. SHARE CAPITAL *(Continued)*

During the six months ended 31 December 2012, the Company repurchased its own shares through The Stock Exchange of Hong Kong Limited as follows:

Month of repurchase	Number of ordinary shares of HK$0.01 each	Price per share Highest	Price per share Lowest	Aggregate consideration paid
		HK$	HK$	HK$'000
July 2012	1,324,000	1.13	1.05	1,466
August 2012	172,000	1.18	1.12	197
December 2012	316,000	1.05	0.90	319
	1,812,000			1,982

21. ACQUISITION OF SUBSIDIARIES

On 19 September 2012, the Group entered into a sale and purchase agreement with an independent third party to acquire addition 19.34% equity interest of Extra Earn at a consideration of HK$89,860,000 ("Acquisition") which was satisfied by the Group issuing promissory note to the independent third party. Details of the promissory note are disclosed in note 16. Before the acquisition of additional interests in Extra Earn by the Group, the Group has 38.67% equity interest in Extra Earn and Extra Earn is an investment holding company with 100% equity interest in Jiatai Tongren (Lianyungang) Healthcare Investment Ltd. 嘉泰同仁（連雲港）醫療產業投資有限公司 ("Jiatai Tongren" and formerly known as Lianyungang Jiatai City Development Co. Ltd. 連雲港嘉泰城市發展有限公司）. Jiatai Tongren is an investment holding company and its subsidiaries are engaged in property development and hospital operations in the PRC.

21. ACQUISITION OF SUBSIDIARIES *(Continued)*

Immediately after the acquisition, Extra Earn performed a reorganisation by means of the transfer of an aggregate of entire equity interest in Jiatai Tongren to the Company and other two shareholders based on their proportionate equity interest, and the repurchase and cancellation of Extra Earn's 180,000 shares and 15,450 shares (total represented 41.99% issued shares of Extra Earn from the other two shareholders of Extra Earn ("Extra Earn Reorganisation").

Upon the completion of the Acquisition and Extra Earn Reorganisation, the Company's equity interests in Extra Earn and Jiatai Tongren have increased from 38.67% to 100% and 58.01% respectively. These transactions were completed on 19 September 2012. The Acquisition has been accounted for using the acquisition method.

Acquisition-related costs amounting to approximately HK$752,000 have been excluded from the consideration transferred and have been recognised as an expense in the current period, within the other expenses line item in the condensed consolidated statement of profit or loss.

The initial accounting for certain properties and intangible assets acquired in the following business combination, as well as the fair value of the Group's previously held equity interest in Extra Earn, have been determined on a provisional basis, awaiting the completion of professional valuations. The amounts of property, plant and equipment, prepaid lease payments, intangible assets, properties under development for sale, properties held for sale, deferred tax liabilities, non-controlling interests, gain on deemed disposal of associates and discount on acquisition of subsidiaries may be adjusted accordingly.

21. ACQUISITION OF SUBSIDIARIES *(Continued)*

Assets acquired and liabilities recognised at the date of acquisition (determinated on a provisional basis):

	HK$'000
Property, plant and equipment, provisional	1,438,055
Prepaid lease payments, provisional	127,346
Intangible assets, provisional	16,816
Interests in associates	15,931
Inventories	18,907
Properties under development for sale, provisional	621,695
Properties held for sale, provisional	39,441
Debtors, deposits and prepayments *(Note)*	152,129
Deposit paid for acquisition of land use right for property development	332,045
Pledged bank deposits	222,023
Restricted bank deposits	57,857
Bank balances and cash	131,908
Creditor and accrued charges	(589,626)
Consideration payable	(85,784)
Deposits received on sales of properties	(247,345)
Receipts in advance	(21,999)
Amount due to an associate	(7,966)
Bank borrowings	(1,216,544)
Obligations under finance leases	(56,613)
Deferred tax liabilities, provisional	(119,271)
Amount due to the subsidiary of the Company	(54,474)
Net assets acquired	774,531
Less: Non-controlling interests on Jiatai Tongren's subsidiaries, provisional	(111,901)
	662,630

Note: The fair value of debtors at the date of acquisition amounted to HK$117,554,000, which is the same as the gross contractual amounts of debtors at the date of acquisition.

21. ACQUISITION OF SUBSIDIARIES *(Continued)*

Discount on acquisition (determinated on a provisional basis):

	HK$'000
Consideration for acquisition of 19.34% equity interest of Extra Earn	89,860
Reclassified from interests in associates, at fair value *(Note a)*	244,014
Plus: Non-controlling interests of Jiatai Tongren *(Note b)*	301,215
Plus: Non-controlling interests on Jiatai Tongren's subsidiaries	111,901
Less: Net assets acquired	(774,531)
	(27,541)

Notes:

(a) The fair value assessments of certain underlying assets and liabilities of Jiatai Tongren Group have not been finalised and thus the fair value of previously held equity interest in Extra Earn is determined provisionally.

(b) The non-controlling interests are determined by reference to proportionate share of recognised amounts of assets acquired and liabilities recognised of Jiatai Tongren at the date of acquisition, which is determined provisionally.

21. ACQUISITION OF SUBSIDIARIES *(Continued)*

Discount on acquisition (determinated on a provisional basis): *(Continued)*

In the opinion of the Directors, discount in acquisition was resulted because Jiatai Tongren Group needed additional funds to settle its short-term borrowings and then seeked for shareholders' further capital contribution to finance the daily operation of Jiatai Tongren Group. The vendor considered that there was no cash return since the investment in Extra Earn and the vendor was in financial difficulty to provide further capital contribution to Jiatai Tongren Group. Moreover, the vendor would like to exit this investment. Thus, the vendor was willing to offer a favourable price to the Group. If the fair values of the relevant assets and the fair values of the Group's property, plant and equipment, prepaid lease payments, intangible assets, properties under development for sale, properties held for sale, deferred tax liabilities and non-controlling interests differ from provisional amounts presented in this condensed consolidated financial statements upon completion of professional valuation, provisional amounts will be adjusted as if the accounting for the business combination has been completed as at the acquisition date, the condensed consolidated financial statements of the Group for the six months ended 31 December 2012 will be restated in the future.

Gain on deemed disposal of associate (determined on a provisional basis):

	HK$'000
Interests in associates disposal of	(227,854)
Cumulative exchange differences shared by the associate reclassified from equity to profit or loss	18,634
Fair value of the Group's previously held equity interest in Extra Earn on provisional basis	244,014
	34,794

21. ACQUISITION OF SUBSIDIARIES *(Continued)*

Cash inflow arising on acquisition:

	HK$'000
Cash consideration paid	–
Less: Bank balances and cash acquired	131,908
	131,908

Had the acquisition been effected at the beginning of the interim period, the total amount of revenue of the Group for the six months ended 31 December 2012 would have been HK$330,008,000, and the amount of the profit for the interim period would have been HK$41,508,000. The proforma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the interim period, nor is it intended to be a projection of the results. In determining the 'pro-forma' results of the Group, the directors have calculated amortisation on intangible assets on the basis of fair values arising from the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements.

On 6 December 2012, the Company and Jiatai Tongren entered into subscription agreement that the Company has agreed to subscribe Jiatai Tongren's registered capital at a consideration of US$32,000,000 (equivalent to HK$249 million). After the subscription, the Company's equity interest over Jiatai Tongren is increased from 58.01% to 69.52%. The difference between the amount by which the non-controlling interests of Jiatai Tongren adjusted, based on the non-controlling interests determined on a provisional basis as mentioned above, and the fair value of the consideration paid by the Company is HK$3,680,000 and then credited to other reserve and accumulated in equity.

22. PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group were pledged to securities houses and banks to secure credit facilities granted to the Group:

	31.12.2012 HK$'000 (unaudited)	30.6.2012 HK$'000 (audited)
Investments held for trading	**975,136**	1,074,602
Interests in associates	**977,648**	906,570
Buildings (included in the property, plant and equipment)	**584,314**	–
Available-for-sale investments	**250,791**	140,062
Prepaid lease payments	**94,776**	–
Properties under development for sale	**82,143**	–
Pledged bank deposits	**88,592**	7,801
	3,053,400	2,129,035

During the six months ended 31 December 2012, the immediate holding company of Kunming Tongren Industrial Development Company Limited and Kunming Tongren Hospital Company Limited, both non-wholly owned subsidiaries of the Company, 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. At 31 December 2012, the carrying amount of the Group's medical equipment includes an amount of HK$166 million (30 June 2012: nil) in respect of assets held under finance leases.

23. CAPITAL COMMITMENT

	31.12.2012 HK$'000 (unaudited)	30.6.2012 HK$'000 (audited)
Capital expenditure contracted for but not provided in the condensed consolidated financial statements	**19,581**	–

24. RELATED PARTY TRANSACTIONS

Other than amount due to an associate, which is unsecured, interest-free and repayable on demand, as disclosed on the condensed consolidated statement of financial position, the Group has entered into the following related party transactions during the period:

	Six months ended	
	31.12.2012 **HK$'000** **(unaudited)**	31.12.2011 HK$'000 (unaudited)
Interest income from loans receivable from associates	**5,039**	3,169

As at 31 December 2012, loans receivable with carrying amount of HK$48,761,000 (30 June 2012: HK$503,841,000) was due from associates of the Company.

24. RELATED PARTY TRANSACTIONS *(Continued)*

The remuneration of directors and other members of key management of the Group during the period was as follows:

	Six months ended	
	31.12.2012	31.12.2011
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Salaries and other short-term employee benefits	2,257	2,316
Retirement benefit costs	18	18
	2,275	2,334

25. NON-CASH TRANSACTION

During the six months ended 31 December 2012, the Group acquired certain medical equipment of approximately HK$42,618,000 (2011: nil) under finance leases.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF COL CAPITAL LIMITED
中國網絡資本有限公司

(INCORPORATED IN BERMUDA WITH LIMITED LIABILITY)

INTRODUCTION

We have reviewed the condensed consolidated financial statements set out on pages 3 to 29 which comprises the condensed consolidated statement of financial position of COL Capital Limited (the "Company") and its subsidiaries as of 31 December 2012 and the related condensed consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on this condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Condensed Consolidated Financial Statements Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements is not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

27 February 2013

DIVIDEND

The Directors do not recommend the payment of interim dividend for the period ended 31 December 2012 (2011: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the six months ended 31 December 2012, the Group recorded a total revenue of HK$570,515,000 (2011: HK$182,302,000) and a profit attributable to shareholders of HK$86,258,000 (2011: restated, loss of HK$340,328,000) which was mainly attributable to change in fair value of the investment portfolios of the Group of HK$62,471,000 (2011: losses of HK$336,925,000), gain on deemed disposal of an associate of HK$34,794,000 (2011: nil) and discount on acquisition of subsidiaries of HK$27,541,000 (2011: nil). Earnings per share (basic and diluted) for the six months ended 31 December 2012 was HK$0.16 compared to a loss per share (basic and diluted) (restated) of HK$0.62 for the corresponding period of financial year 2011.

The Group's net asset value per share as at 31 December 2012 was HK$3.48 (2011: restated HK$3.64).

REVIEW OF OPERATIONS

Securities Trading and Investments

The six months ended 31 December 2012 saw improved sentiments in the global economic environment. The pessimism over the European sovereign debt crisis was reduced by the positive measures undertaken by the European Central Bank. Further, the economic hard landing expected for the Chinese economy was avoided and instead there was robust growth evidenced in its economy. Also the threat of adverse consequences of the U.S fiscal cliff was avoided which provided some welcome relief, however brief, to the financial markets. All these contributed to a more upbeat economic and financial environment towards the end of 2012 as compared with last year. Riding on the improved market outlook, the Group managed to dispose of part of its investment portfolio and recorded an increased turnover of HK$413,713,000 (2011: HK$165,767,000) and profit of HK$39,046,000

(2011: loss of HK$353,079,000), mostly due to the changes in fair value of its trading portfolio of HK$32,736,000 (2011: loss of HK$341,183,000) and derivative financial instruments of HK$29,735,000 (2011: HK$4,258,000). As at 31 December 2012, the Group maintained a portfolio of available-for-sale investments of HK$290,696,000 (2011: HK$449,022,000) and a trading portfolio of HK$1,013,405,000 (2011: HK$1,098,910,000).

Money Lending

During the period under review, the Group's money lending business recorded a decreased turnover of mainly interest income of HK$8,525,000 (2011: HK$14,932,000) and a profit of HK$4,594,000 (HK$2011: HK$10,378,000) from its loan portfolio. As at 31 December 2012, the Group's loan portfolio was reduced to HK$103,761,000 (2011: HK$150,898,000).

Property Investments

The Group's investment properties located in Hong Kong and China recorded a rental income of HK$1,879,000 (2011: HK$1,603,000) and profit of HK$650,000 (2011: loss of HK$13,742,000). As at 31 December 2012, the Group's investment properties portfolio amounted to HK$159,227,000 (2011: HK$142,266,000).

Property Development and Hospital Operation

For the period ended 31 December 2012, following the acquisition of 19.34% of the entire issued share capital of Extra Earn Holdings Limited ("Extra Earn"), the completion of assets reorganization of Extra Earn ("Acquisition and Assets Reorganization of Extra Earn") and the subscription of equity interest in 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 and December 2012 respectively, the Company became directly interested in Jiatai Tongren representing approximately 69.52% of the entire registered capital of Jiatai Tongren and its result and assets and liabilities thereof had been consolidated into that of the Group. Upon completion of the Acquisition and Assets Reorganization of Extra Earn, Jiatai Tongren has also successfully changed its business scope to investment in and operation of healthcare institutions and other investments in the PRC. Consequently its business name was also changed to better reflect the new business scope.

Jiatai Tongren, and through its PRC subsidiaries, is engaged in the investment in and operation of healthcare institutions, medical equipment and supplies trading, property development and other investments in the PRC. 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. During the period under review, the Group's hospital operation contributed a turnover of HK$121,542,000 and a loss of HK$21,122,000.

Of Jiatai Tongren's property development business, it has a development project, 康雅苑, Phase 2 and 3, located at Jiangning Development Zone, Nanjing, PRC with a total gross floor area of approximately 125,400 sqm with construction expected to be completed in June 2013 and June 2015 respectively. During the period under review, the Group's property development business recorded a turnover of HK$24,856,000 and a profit of HK$1,959,000.

PRINCIPAL ASSOCIATED COMPANIES

For the six months ended 31 December 2012, the share of profits of associates of the Group, gain on deemed disposal of an associate and gain on partial disposal of an associate was HK$13,099,000 (2011: restated HK$10,296,000), HK$34,794,000 (2011: nil) and nil (2011: HK$2,143,000) respectively. As at 31 December 2012, the Group's investment in associates was HK$1,009,932,000 (2011: restated HK$1,424,202,000).

Mabuhay Holdings Corporation ("MHC") – approximately 30.42% owned by the Group

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 40% interest in IRC Properties, Inc. (formerly known as Interport Resources Corporation)("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 socialize housing projects (in joint venture, with one in development phase and another in design phase) and a condominium project (in design phase), in the Binangonan area of Rizal Province close to Metro-Manila in the Philippines. MHC will be announcing its results for the year ended 31 December 2012 subsequent to the Group's interim result announcement. The Group has incorporated the consolidated results of MHC based on its unaudited management accounts.

Extra Earn – 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 section "Property Development and Hospital Operation" 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 period under review, 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 (H.K.) Limited ("Tide Holdings") and other indirect subsidiaries (collectively "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 developing into a showcase project comprising health industry headquarters and base, offering health and care services packages to the elderly.

In January 2013, Tide Holdings entered into a strategic cooperation agreement with 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 six months ended 31 December 2012, as a result of the acquisition of 130,000,000 additional shares of APAC, a company incorporated in Bermuda with its shares listed on the Hong Kong Stock Exchange, in July 2012 and the share repurchase conducted by APAC, the Group's shareholding in APAC increased to approximately 29.81% from 27.9%. APAC is a well-established natural resources investment house with strategic interests in private and listed natural resources companies, and a trading arm supplying commodities to the PRC. Focused on natural resources, its business lines comprise primary strategic investment, resource investment and commodity business. APAC's primary strategic investments include its approximately 26.6% shareholding in Mount Gibson Iron Limited ("MGX"), the fifth largest iron ore producer in Australia and approximately 24.1% shareholding in Metals X Limited ("MLX"), Australia's largest tin producer. MGX is a leading West Australian pure-play hematite iron ore producer listed on the Australian Stock Exchange. MGX has three mines in production with annual capacity of 10 million tonnes per annum of Direct Shipping Ore. MLX is an Australian-based emerging diversified resource group with a primary focus on tin via its 50% interest in the producing Renison mine in Tasmania, nickel via its world-scale Wingellina nickel project, and gold via the Central Murchison gold project and the Rover 1 gold project after the recent merger with Westgold Resources Limited. MLX also has indirect exposure to copper and bauxite through its portfolio of strategic investments, namely Reed Resources Limited, Mongolian Resource Corporation, and Aziana Limited. APAC's commodity business is based in Shanghai, currently trading iron ore and coal, and dominated by two offtake agreements with MGX and the shipments are sold on the spot market to steel mills and traders in the PRC.

For the period under review, APAC recorded a revenue of HK$442,201,000 (2011: HK$680,524,000) and profit attributable to shareholders of HK$81,567,000 (2011: restated HK$29,959,000). APAC's primary strategic investments reported an overall profit of HK$109,704,000 (2011: restated HK$228,668,000), and resource investment portfolio posted a loss of HK$4,641,000 (2011: loss of HK$148,080,000). APAC's commodity business achieved a modest profit of HK$5,119,000 (2011: profit of HK$3,310,000).

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

As at 31 December 2012, the Group's non-current assets of HK$2,980,785,000 (2011: restated HK$1,968,237,000) consisted of investment properties of HK$159,227,000 (2011: HK$142,266,000); property, plant and equipment of HK$1,476,893,000 (2011: HK$5,119,000); prepaid lease payments of HK$123,307,000 (2011: nil), interests in associates of HK$1,009,932,000 (2011: restated HK$1,424,202,000), available-for-sale investments of HK$195,874,000 (2011: HK$396,650,000) and intangible assets of HK$15,552,000 (2011: nil). These non-current assets are principally financed by shareholders' fund. As at 31 December 2012, the Group had net current assets of HK$55,048,000 (2011: HK$64,276,000).

As at 31 December 2012, the total borrowings of the Group amounted to HK$2,628,474,000 (2011: HK$1,389,614,000) consisting of securities margin loans of HK$1,045,029,000 (2011: HK$1,239,614,000), unsecured term loan of HK$70,000,000 (2011: HK$150,000,000), promissory note of HK$91,970,000 (2011: nil), secured bank borrowings of HK$1,038,810,000 (2011: nil), unsecured bank borrowings of HK$135,665,000 (2011: nil) and bonds of HK$247,000,000 (2011: nil). Among the total borrowings, an amount of borrowings of HK$250,307,000 (2011: nil) and bonds of HK$247,000,000 (2011: nil) were with maturity of more than one year but less than five years. As at 31 December 2012, 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 85.4% (2011: 57.7%).

During the period 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 and Malaysian Ringgit denominated assets and transactions. The exchange rate of the Taiwan Dollar and Renminbi were relatively stable during the period. The Group was not materially affected by its exposure to these currencies.

As at 31 December 2012, the Group had capital commitments contracted but not provided for of HK$19,581,000.

As at 31 December 2012, the Group had no material contingent liabilities.

CHARGE ON GROUP ASSETS

As at 31 December 2012, the Group's investments held for trading of HK$975,136,000 (2011: HK$1,029,150,000), interests in associates of HK$992,762,000 (2011: nil), available-for-sale investments of HK$250,791,000 (2011: HK$159,690,000), pledged bank deposits of HK$88,592,000 (2011: HK$3,163,000), buildings (included in the property, plant and equipment) of HK$586,674,000 (2011: nil) and properties under development for sale of HK$140,257,000 (2011: nil) were pledged to securities houses and banks to secure credit facilities granted to the Group.

EMPLOYEES

The Group had 2,120 employees as at 31 December 2012 (2011: 16). 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.

PROSPECTS

Despite the rally seen in the global financial market in the beginning of 2013, the worry over the fragile economic conditions, political in-fighting and paralysis, with the consequential social unrest in the developed world, geo-political tension and posturing and the lack of momentum in growth in the emerging markets will continue to linger and weigh on the global economy and financial markets. Nevertheless, the Group believes that there will always be attractive investment opportunities available as companies and businesses become grossly undervalued. The Group will continue to cautiously seek and identify such opportunities in China, Hong Kong and the Asia Pacific region to improve its financial performance and enhance value for shareholders.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES

As at 31 December 2012, the interests and short positions of the directors and chief executives of the Company and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Hong Kong (the "SFO")) as recorded in the register maintained by the Company pursuant to

Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:–

Long positions in the shares of the Company

	Number of ordinary shares of HK$0.01 each					
Name of Director	Personal interests	Family interests	Corporate interests	Other interests	Total	Percentage of issued ordinary shares
Ms. Chong Sok Un ("Ms Chong")	–	–	391,125,707 *(Note)*	–	391,125,707	72.04%

Note: Vigor Online Offshore Limited, a wholly-owned subsidiary of China Spirit Limited ("China Spirit"), owns 391,125,707 ordinary shares of the Company. Ms. Chong maintains 100% beneficial interests in China Spirit. Accordingly, Ms. Chong is deemed to have corporate interest in 391,125,707 ordinary shares of the Company.

Save as disclosed above, as at 31 December 2012, none of the directors, the chief executives of the Company nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire, benefits by means of the acquisition of shares, underlying shares or debentures of the Company or any other body corporate.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2012, the following parties had interests or short positions in the shares and underlying shares of the Company as recorded in the register maintained by the Company pursuant to Section 336 of the SFO:–

Long positions in the shares of the Company

Name	Capacity	Number of ordinary shares held	Percentage of issued ordinary shares
Ms. Chong Sok Un (Ms. Chong)	Held by controlled corporation *(Note)*	391,125,707	72.04%
China Spirit Limited ("China Spirit")	Held by controlled corporation *(Note)*	391,125,707	72.04%
Vigor Online Offshore Limited ("Vigor") *(Note)*	Beneficial owner *(Note)*	391,125,707	72.04%

Note: Vigor, a wholly-owned subsidiary of China Spirit, owns 391,125,707 ordinary shares of the Company. Ms. Chong maintains 100% beneficial interests in China Spirit. Accordingly, Ms. Chong is deemed to have corporate interest in 391,125,707 ordinary shares of the Company.

Save as disclosed above, as at 31 December 2012, there were no other parties who had interests or short positions in the shares or underlying shares of the Company as recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

CORPORATION GOVERNANCE AND OTHER INFORMATION

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with the management of the Company (the "Management") the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a general review of the interim report (including unaudited interim condensed consolidated financial statements for the six months ended 31 December 2012). In carrying out this review, the Audit Committee has relied on a review conducted by the Group's external auditor, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA as well as reports obtained from the Management. The Audit Committee has not undertaken detailed independent audit checks.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the applicable code provisions of the Corporate Governance Code as set out in Appendix 14 of the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 31 December 2012.

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 six months ended 31 December 2012.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During the period, the Company repurchased a total of 1,812,000 ordinary shares in the capital of the Company on the Hong Kong Stock Exchange in the range from HK$0.90 to HK$1.18 for a total consideration of HK$1,981,200. The said shares were subsequently cancelled.

Out of 1,812,000 repurchased ordinary shares, 1,496,000 repurchased ordinary shares were cancelled during the period, and the remaining 316,000 repurchased ordinary shares were cancelled subsequent to the period end date. 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 period.

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

Hong Kong, 27 February 2013

As at the date of this report, 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.